IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Application Number	:	09/599,602 Confirmation No.: 1459
Applicant	:	Robert J. Rosko
Filed	:	June 23, 2000
Title	:	System and Method for Implementing a Consolidated Application Process
TC/Art Unit	:	3624
Examiner:	:	James M. Alpert

Docket No.	:	47004.000073
Customer No.	:	**21967**

MAIL STOP Appeal Brief - Patent
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

APPEAL BRIEF

Sir:

Appellant appeals the rejection of claims 1-19 set forth in the Office action mailed February 10, 2005 (hereinafter Office action). Any fees that may be due may be charged to Deposit Account No. 50-0206.

Two prior Briefs have been submitted in this application. Accordingly, this Appeal Brief repeats much of the information set forth in the prior Appeal Brief, while fully responding to the rejections set forth in the recent Office action. The prior Appeal Brief filed November 10, 2003, and the Supplemental Appeal Brief filed April 20, 2004, are hereby incorporated by reference to the extent that any relevant material is omitted from this brief.

Real Party in Interest

The real party in interest is Bank One Corporation now doing business as J. P. Morgan Chase & Co., and having a place of business at 277 Park Avenue, New York, New York 10017.

Related Appeals and Interferences

Appellant appeals the rejection of claims 1-19 presented in the Office action mailed February 10, 2005. This Appeal Brief fully addresses the rejections of claims 1-19 presented in the February 2005 Office action.

To the best of appellant's knowledge, there are no related appeals or interferences.

Status of Claims

Claims 1-19 are pending and stand rejected. The rejections of claims 1-19 are appealed.

Status of Amendments

No amendments to the claims have been submitted in response to the recent Office action.

Summary of Claimed Subject Matter

The present invention provides a consolidated application system that comprises a dynamic application module. Users choose one or more services provided through a networked service provider. Then, the dynamic application module presents the customer with a consolidated application, which is partially completed with information that is known about the customer. After the customer completes the blank portions of the application, the dynamic application module sends the application to another server for real-time processing.

Appellant's invention, as defined by the pending claims, is a method or system for providing a dynamically created application form through a network to a consumer applicant for one or more products. The invention is directed particularly to tailoring an application form to a particular request from an applicant. Thus, an applicant may apply for multiple requested products, such as banking products, by completing one application form tailored to the applicant's request. As an example, a potential applicant may chose from an array of products offered by a product provider, such as a bank. The potential applicant may request to apply for a checking account and a credit card account. The instant invention then dynamically creates an application form to solicit the information required to apply for both a checking account and a

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credit card. In this manner, the applicant provides the required information to the bank in one convenient action.

Grounds of Rejection to be Reviewed on Appeal

The issue on appeal is generally whether the teaching of the applied references is properly combined to render obvious the pending claims. Specifically, appellants request review of the rejection of claims 1-19 as being unpatentable over U.S. Patent 6,385,894 in view of U.S. Patent Application Publication 2001/0047307.

Argument

Requirements for Patentability

The recent Office action fails to establish a *prima facie* case of obviousness that the pending claims are unpatentable over U.S. Patent 6,385,594 issued to Douglas Lebda and Richard Stiegler (Ledba) in view of U.S. Patent Application Publication 2001/0047307 naming as inventors James D. Bennett and Christopher C. Winslade (Bennett). "During patent examination the PTO bears the initial burden of presenting a *prima facie* case of unpatentability." *In re Glaug*, 283 F.3d 1135, 62 U.S.P.Q.2d 1151, 1152 (Fed. Cir. 2002). "If the PTO fails to meet this burden, then the applicant is entitled to the patent." *Id.* "To support the conclusion that the claimed combination is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed combination or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." *Ex parte Clapp*, 227 U.S.P.Q. 972, 973 (Bd. Pat. App. & Int. 1985). The references applied in the Office action fail to suggest the claimed invention for at least the reasons set forth with regard to each claim below. An artisan of ordinary skill would not have found the claimed invention to have been obvious in light of the teaching of the applied references. As the Examiner has not presented a *prima facie* case of unpatentability, appellant is entitled to a patent.

"The 'prima facie case' notion . . . seemingly was intended to leave no doubt among examiners that they must state clearly and specifically any objections (the prima facie case) to patentability, and give the applicant fair opportunity to meet those objections with evidence and

argument." *In re Oetiker*, 977 F.2d 1443, 24 U.S.P.Q.2d 1443, 1447 (Fed. Cir. 1992)(Plager, J., concurring). The Office action makes no attempt to explain the relevance of any teachings of the applied references with regard to the claimed invention. Rather, the rejection merely states that the references teach certain elements of the claimed invention and supports these statements with citations to the applied references. "The pertinence of each reference, if not apparent, must be clearly explained." 37 C.F.R. § 1.104(c)(2). The mere citations to the applied references do not present a convincing line of reasoning as to why an artisan would have found the claimed invention to have been obvious in light of the teachings of the applied references.

A proper rejection under 35 U.S.C. § 103(a) should set for the following:

> (A) the relevant teaching of the prior art relied upon . . . ,
> (B) the difference or differences in the claim over the applied reference(s),
> (C) the proposed modification of the applied reference(s) necessary to arrive at the claimed subject matter, and
> (D) an explanation why one of ordinary skill in the art at the time the invention was made would have been motivated to make the proposed modification.

M.P.E.P. § 706.02(j) (8th Ed., Rev. 2) (2004). The Office action fails to propose how the primary reference to Lebda could be modified according the teaching of the secondary reference, Bennett, to arrive at the claimed subject matter. The explanations why one of ordinary skill in the art would have been motivated to combine the references are insufficient to establish a *prima facie* case of obviousness.

The Office "can satisfy [the burden under 35 U.S.C. § 103 to establish a *prima facie* case of obviousness] only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references." *In re Fine*, 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). The motivations for combining references provided in the Office action are insufficient.

> [A]n examiner may often find every element of a claimed invention in the prior art. If identification of each claimed element in the prior art were sufficient to negate patentability, very few patents would ever issue. Furthermore, rejecting patents solely by finding prior art corollaries for the claimed elements would permit an examiner to use the claimed invention itself as a blueprint for

piecing together elements in the prior art to defeat the patentability of the claimed invention. Such an approach would be "an illogical and inappropriate process by which to determine patentability." Sensonics, Inc. v. Aerosonic Corp., 81 F.3d 1566, 1570, 38 USPQ2d 1551, 1554 (Fed. Cir. 1996).

To prevent the use of hindsight based on the invention to defeat patentability of the invention, this court requires the examiner to show a motivation to combine the references that create the case of obviousness. In other words, the examiner must show reasons that the skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention, would select the elements from the cited prior art references for combination in the manner claimed.

In re Rouffet, 47 USPQ2d 1453, 1457-58 (Fed. Cir. 1998). In the Office action, the Examiner merely asserts the advantages of individual features of the Bennett reference. No motivation for selecting the particular elements for combination with the teaching of the primary reference to Lebda is set forth. There is no support in the prior art for the proposition that the skilled artisan would have selected and combined the teachings relied upon by the Examiner to solve any problem.

Appellant sets forth in further detail below specific reasons why the recent Office action fails to establish a *prima facie* case of obviousness for each pending claim.

The Applied References

The Office action does not establish that the secondary reference, Bennett, is available as prior art against appellant's claims. The instant application was filed June 23, 2000. Bennett is a U.S. Patent Application Publication filed November 29, 2001. Bennett on its face states that it is a non-provisional of provisional application No. 60/190,825 filed on March 21, 2000 ('825 provisional application) (included herewith in the Evidence Appendix).

The critical reference date under 35 U.S.C. § 102(e) of a U.S. application publication entitled to the benefit of the filing date of a provisional application under 35 U.S.C. § 119(e) is the filing date of the provisional application only if the provisional application properly supports the subject matter relied upon to make the rejection in compliance with 35 U.S.C. § 112, first paragraph. M.P.E.P. § 2136.03 III. The critical reference date of Bennett is not March 21, 2000. The '825 provisional application does not support the subject matter relied upon to make the

rejections set forth in the Office action. The '825 provisional application is a business plan for launching a business providing loan qualification screenings during the automobile purchase process.

The Office action principally relies on Bennett to teach receiving one application for potentially many different types of credit. Appellant submits that Bennett does include such teaching for reasons discussed below. However, even if the Examiner's position regarding the teaching of Bennett is assumed to be true for the sake of argument, the '825 provisional application does not support such teaching. The Office action at page 3, cites to paragraph 81 of Bennett to teach a request to apply for a plurality of products. The cited paragraph of Bennett sets forth that the approval system credit analysis differs as a function of the item for which the loan is being sought. "For example, depending on whether the loan is being sought to purchase an automobile, a home, or to repay revolving credit, the credit reporting/approval system software (S/W) 560 is operable to accommodate the different manner in which parameters corresponding to the buyer are handled." Bennett, para. 81. The '825 provisional application is directed solely to automobile purchases. The '825 provisional application does not support the teaching of a credit analysis that differs as a function of the item for which a loan is sought. To the contrary, the '825 provisional at page 14 describes: "Our AutoAfford™ platform determines loan affordability by analyzing the buyer's credit information in view of the loan requirements of each of our participating lenders." The '825 provisional application is silent regarding loans sought to purchase a home or to repay revolving credit. The '825 provisional application does not support the subject matter relied upon to make the rejections in the Office action. Thus, the critical reference date of Bennett is not the March 21, 2000, filing date of the '825 provisional application. Accordingly, Bennett is not available as prior art against the pending claims. Appellant respectfully requests that the rejections based on Bennett be reversed for this reason.

Notwithstanding the availability of Bennett as prior art, the applied references do not show or suggest the claimed subject matter. As discussed above, the claimed invention is a method or system for providing a dynamically created application form through a network to a consumer applicant for one or more products. Neither of the applied references is directed to or suggests dynamically creating an application as set forth by the pending claims.

The primary reference, Lebda, is directed to coordinating an electronic credit qualification form between an Internet user and plurality of lending institutions via the Internet.

The Lebda invention allows for applying for credit from a multitude of lending institutions without physically going to or calling each lender and filling out multiple applications. The Lebda invention, thus, provides "a universal credit qualification form over the Internet and [allows] the Internet user to submit a single credit application to a plurality of lending institutions who then make offers to the customer via the Internet." Lebda, col. 1, ll. 53-57. Lebda, thus, uses a universal credit form that obtains all the information that may be required to apply to any participating lender. Lebda does not suggest a dynamically created application form that is assembled for display to the user. To the contrary, Lebda simply "sends an open application to a prospective borrower through the Internet." Lebda, col. 4, ll. 2-3.

The secondary reference, Bennett, is directed to an online affordability-based purchasing system that enables a buyer to obtain financing for products the buyer desires to purchase on credit. The Bennett system obtains information about a buyer. Bennett, without elaboration, states: "A buyer, via the buyer interface (IF) 120, provides buyer information to the credit analysis engine 140." Bennett, para. 43. Bennett does not suggest that this information is obtained through dynamically created application forms. Bennett, to the contrary, suggests the use of multiple forms to obtain credit approval. "The loan origination software 424 provides to the buyer for completion via the buyer's browser/user interface 460, all the necessary financing forms, etc." Bennett, para. 74.

Appellant's invention, as defined by the pending claims, is a method or system for providing a dynamically created application form through a network to a consumer applicant for one or more products. (Spec. p. 1, ll. 5-7.) The invention is directed particularly to tailoring an application form to a particular request from an applicant. (Spec. p. 3, ll. 7-10.) Thus an applicant may apply for multiple requested products, such as banking products, by completing a single application form tailored to the applicant's request. (Spec. p. 8, l. 21 - p. 9, l. 2.) As an example, a potential applicant may chose from an array of products offered by a product provider, such as a bank. (Spec. p. 8, ll. 2-4.) The potential applicant may request to apply for a checking account and a credit card account. (Spec. p. 8, ll. 20-21.) The instant invention then dynamically creates an application form to solicit the information required to apply for both a checking account and a credit card. (Spec. p. 10, ll. 1-4.) In this manner, the applicant provides the required information to the bank in one convenient action.

The applied references fail to show or suggest any assembly or dynamic creation of a consolidated application page. Accordingly, the applied prior art fails to suggest the specific details of appellant's invention as set forth in the pending claims. The details of the features absent from the applied art are discussed further below.

Claim 1

Claim 1 sets forth a method for dynamically creating an application form. The method includes steps of receiving a request to apply for a plurality of products, assembling an application page from a plurality of documents each of which contains a field corresponding to specific information required to apply for a product, and receiving information corresponding to each field in the application page. The instant specification describes a particular preferred embodiment of the claimed invention. In this embodiment, an Internet banking services provider receives a potential customer's request to apply for products such as a checking account and a credit card account offered by the provider. An application page is assembled and provided to the customer. The application page requests only information required to apply for both the checking account and the credit card. The customer may then complete the application through the application page provided and cause the completed application to be sent to the provider. The applied combination of references fails to show or suggest the steps set forth in claim 1.

Claim 1 sets forth a step of "assembling an application page for display over the network, said page assembled from a plurality of documents." Column 3, lines 58-61, of Lebda is relied upon in the Office action to show this step. Lebda does not suggest assembling one application page assembled from a plurality of documents. Lebda is silent regarding using a plurality of documents to assemble a consolidated application page. Lebda does suggest sending a prospective borrower background information documents concerning a loan application. Lebda, col. 3, ll. 63-64. "These background information documents include a document welcoming the Internet user to the web site, a document explaining the application process, and a document explaining the services provided." Lebda, col. 3, l. 65 - col. 4, l. 1. The citation at column 3, lines 58-61 relied upon by the Office action, sets forth that a central loan processing computer allows prospective borrowers using satellite computers to view these documents. Lebda does not suggest assembling an application page from these documents. To the contrary, after these documents are sent, the loan processing computer sends an open application to the prospective

borrower through the Internet to the satellite computer. Lebda, col. 4, ll. 1-3. Lebda does not suggest that this application is assembled from a plurality of documents.

Appellants note that an advantage of assembling the application page, is that a single application is presented to the user to apply for a plurality of products. The Office action acknowledges that Lebda does not teach a request to apply for a plurality of products. Accordingly, it is not surprising that Lebda does not suggest assembling an application page. There is no advantage to assembling such a page in the Lebda system.

The Office action appears to assert that Lebda teaches receiving a request to apply for a single product. In the Office action it is asserted: "It would have been obvious to one of ordinary skill in the art at the time appellant's invention was made to combine the teachings of Lebda relating to presenting and accepting a credit application over a network to include the teachings of Bennett relating to receiving one application for potentially many different types of credit." This combination of the teaching of Lebda and Bennett is insufficient to establish a *prima facie* case of obviousness against claim 1 for at least three reasons. First, the Office action does not set forth the proposed modification to the Lebda system based on the teaching of Bennett necessary to arrive at the claimed invention. Second, the Office action does not provide a sufficient explanation why one of ordinary skill in the art would have been motivated modify the teachings of the references relied upon. Third, Bennett does not suggest receiving one application for different credit products.

Claim 1 sets forth a step of "receiving a request to apply for a plurality of products, the request received over a network." As acknowledged in the Office action, Lebda does not suggest a request to apply for a plurality of products. Neither does Bennett. As discussed above, Bennett is directed to a system that enables a buyer to obtain financing for those products the buyer desires to purchase on credit. No application is required to purchase the products. The buyer, however, may apply for credit to buy the products. The credit analysis performed is a function of the products for which the loan is sought. This is the disclosure of paragraph 81 of Bennett, which is relied upon in the Office action to show a request to apply for a plurality of products. Bennett, however, includes no suggestion to apply for a plurality of loans.

Claim 1 further sets forth that "specific information is required to be submitted to apply for each one of the plurality of products." Paragraph 81 of Bennett is relied upon in the Office action to show this limitation. The Bennett system "is operable to accommodate the different

manner in which parameters corresponding to the buyer are handled. Bennett, para. 81. The Office action does not demonstrate that Bennett suggests that specific information is required to be submitted to apply for each of a plurality of loans. The cited paragraph of Bennett simply discloses that a different credit analysis is performed to the buyer's information based on the items to be purchased.

Claim 1 further sets forth qualities of the plurality of documents from which the application page is assembled. "[E]ach document of the plurality of documents contains at least one field corresponding to the specific information required to apply for one of the plurality of products." The Office action acknowledges that Lebda does not teach this limitation. The Office action, relies on paragraph 18 of Bennett, to show this limitation. This reliance is misplaced. Bennett does not suggest assembling an application page from a plurality of documents. Bennett is silent regarding documents containing fields corresponding to specific information required to apply for products such as loans. Paragraph 18 discloses that an individual using a computer may respond to credit pre-approval via a web page or web pages to initiate purchase of one or more products using financing. Nothing in paragraph 18 suggests that the web pages are assembled from documents that contain fields corresponding to specific information required to apply for one of a plurality of products.

Neither Lebda nor Bennett suggests a request to apply for a plurality of products. The Office action does not set forth a proposed modification of the applied references necessary to arrive at the subject matter of claim 1 including a step of receiving a request to apply for a plurality of products. Likewise, neither Lebda nor Bennett suggests a step of assembling an application page from a plurality of documents. The Office action does not set forth a proposed modification of the applied references necessary to arrive at the subject matter of claim 1 including a step of assembling an application page for display over the network, said page assembled from a plurality of documents, wherein each document of the plurality of documents contains at least one field corresponding to the specific information required to apply for one of the plurality of products.

The Office action fails to set forth a sufficient explanation of why one of ordinary skill in the art would have been motivated to modify the teaching of the applied references. The Office action asserts it would have been obvious to combine the teaching of Lebda to include the teaching of Bennett relating to receiving one application for potentially many different types of

credit. The Office action asserts that the motivation for this combination "is simply to save time and expense" as indicated in paragraph 7 of Bennett. Bennett does not show or suggest receiving one application for potentially many different types of credit. Paragraph 7 of Bennett asserts that conventional loan approval methods are time-consuming and often involve a considerable amount of wasted effort. Nothing in Bennett suggests that the teaching therein would save additional time and expense if combined with the innovative method of co-ordinating a loan application to a plurality of lending institutions of Lebda.

For at least the above reasons, the Office action fails to set forth a *prima facie* case of obviousness against claim 1. Neither Lebda nor Bennett suggests a request to apply for a plurality of products. Accordingly, neither Lebda nor Bennett suggests assembling an application page assembled from a plurality of documents, wherein each document contains a field corresponding to specific information required to apply for one the plurality of products. The bare citations to the applied references fail to present a convincing line of reasoning as to why an artisan would have found the claimed invention to have been obvious. Appellant, therefore, respectfully requests that this rejection of claim 1 be reversed.

Claim 2

Claim 2 depends from claim 1 and therefore includes each step of the method of claim 1. The rejection of claim 2 is deficient for the reasons set forth above with respect to claim 1. Further significant defects of the applied references as applied to claim 2 are discussed below.

Claim 2 further sets forth validating information input. When the information input fails to correctly compare to validation criteria, a second application page is assembled including prompts to reenter information. The Office action at page 4 acknowledges that this limitation is not taught by the applied art. Official Notice is taken that reoffering a web page for completion, after discovering validation errors is old and well known in the art. The Office action asserts that it would have been obvious to combine the teaching of Lebda to include a re-presentation of a web page upon the discovery of errors. Such modification of Lebda is insufficient to arrive at the claimed subject matter. Claim 2 sets forth "assembling a second application page including prompts to reenter information." The Office action does not assert that is known to assemble a second application page upon discovery of errors. Should the Examiner be taking Official Notice that such assembly is old and well known, appellant traverses such Official Notice.

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For at least the reasons set forth with respect to claim 1 and the further specific reasons set forth above, Lebda in view of Bennett does not show or suggest the steps of the invention defined by dependent claim 2. Accordingly, the Office action does not establish a *prima facie* case of obviousness against claim 2. Appellant respectfully requests that the rejection of claim 2 over Lebda in view of Bennett be reversed.

Claim 3

Claim 3 depends from claim 1 and therefore includes each step of the method of claim 1. The rejection of claim 3 is deficient for the reasons set forth above with respect to claim 1. Further significant defects of the applied references as applied to claim 3 are discussed below.

Claim 3 includes the step of forwarding the information input to a decision module for processing the information input. The Office action at page 4 relies on column 4, lines 42-45, of Lebda to show this limitation. This sentence of the Lebda specification is silent regarding forwarding information to any location.

For at least the reasons set forth with respect to claim 1 and the further specific reasons set forth above, Lebda in view of Bennett does not show or suggest the steps of the invention defined by dependent claim 3. Accordingly, the Office action does not establish a *prima facie* case of obviousness against claim 3. Appellant respectfully requests that the rejection of claim 3 over Lebda in view of Bennett be reversed.

Claim 4

Claim 4 depends from claim 1 and therefore includes each step of the method of claim 1. The rejection of claim 4 is deficient for the reasons set forth above with respect to claim 1. Further significant defects of the applied references as applied to claim 4 are discussed below.

Claim 4 includes the steps of determining whether the request to apply originates from a customer that is logged in to a session manger, and accessing stored data regarding the customer if the customer is logged in. The step of assembling an application page is further defined to include inserting the stored data in the application page. The steps of claim 4 permit the claimed system to use secure information regarding a customer to prefill fields in an application form for a product when information required to apply for the product is already known to the product provider. (Spec. p. 10, ll. 14-19.)

The Office Action at pages 4-5 relies on the dynamic personal web page set forth in claim 21 of Lebda at column 10, lines 56-67. Lebda does not suggest that stored data regarding a customer is inserted in an application page on the dynamic personal web page. The Lebda personal web page is not used to apply for a loan. To the contrary, Lebda sets forth "publishing a decision of each identified lending institutions . . . on the dynamic personal web site." Lebda, col. 10, ll. 58-60. Accordingly, the dynamic personal web page of Lebda does not suggest inserting stored customer data in an application page as set forth by claim 4.

For at least the reasons set forth with respect to claim 1 and the further specific reasons set forth above, Lebda in view of Bennett does not show or suggest the steps of the invention defined by dependent claim 4. Accordingly, the Office action does not establish a *prima facie* case of obviousness against claim 4. Appellant respectfully requests that the rejection of claim 4 over Lebda in view of Bennett be reversed.

Claim 5

Claim 5 depends from claim 1 and therefore includes each step of the method of claim 1. The rejection of claim 5 is deficient for the reasons set forth above with respect to claim 1. Further significant defects of the applied references as applied to claim 5 are discussed below.

Claim 5 sets forth that the plurality of products applied for includes banking products and the information required to apply for one of the products includes information regarding an amount of credit to be extended. At page 5 of the Office action, it is asserted that Lebda teaches this limitation. This assertion is contrary to the acknowledgment with respect to claim 1 that Lebda does not teach that a request to apply for a plurality of products. As Lebda does not suggest a request to apply for a plurality of products, Lebda does not suggest a request to apply for a plurality of banking products.

For at least the reasons set forth with respect to claim 1 and the further specific reasons set forth above, Lebda in view of Bennett does not show or suggest the steps of the invention defined by dependent claim 5. Accordingly, the Office action does not establish a *prima facie* case of obviousness against claim 5. Appellant respectfully requests that the rejection of claim 5 over Lebda in view of Bennett be reversed.

Claim 6

Claim 6 depends from claim 5 and therefore includes each step of the method of claim 5. The rejection of claim 6 is deficient for the reasons set forth above with respect to claim 1 and 5. Further significant defects of the applied references as applied to claim 6 are discussed below.

Claim 6 further sets forth forwarding the information input to a decision module for processing to determine if data input justifies extension of credit. The Office action at page 5, merely cites to column 4, lines 42-45, of Lebda to show this limitation. The cited sentence states: "FIGS. 6, 7, and 8 show stage 6 of the process, wherein computer 100 runs a filter to match completed application 115 in table 150 against preset criteria established by each lender." This citation of Lebda is silent regarding processing to determine if data input justifies extension of credit.

For at least the reasons set forth with respect to claims 1 and 5 and the further specific reasons set forth above, the Office action does not establish a *prima facie* case of obviousness against claim 6. Appellant respectfully requests that the rejection of claim 6 over Lebda in view of Bennett be reversed.

Claim 7

Claim 7 depends from claim 1 and therefore includes each step of the method of claim 1. The rejection of claim 7 is deficient for the reasons set forth above with respect to claim 1. Further significant defects of the applied references as applied to claim 7 are discussed below.

Claim 7 sets forth that the request is in the form of parameters received within a universal resource locator (URL). The Office action at page 3, cites to column 3, lines 52-55, of Lebda to show this limitation. The cited passage merely states computers interact through the Internet. Lebda goes on to state that a web-page is housed in a loan processing computer at a predetermined URL address. Lebda, col. 3, ll. 56-58. This disclosure teaches away from the limitation of claim 7. Lebda disclosed a *predetermined* URL address for accessing a web page. In contrast, claim 7 sets forth that a specific request to apply for a plurality of products is in the form of parameters received in within a URL. The URL is thus created with varying parameters based on the products requested. The predetermined URL address of Lebda is contrary to the inclusion of differing parameters as set forth by claim 7.

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For at least the reasons set forth with respect to claim 1 and the further specific reasons set forth above, Lebda in view Bennett does not show or suggest the steps of the invention defined by dependent claim 7. Accordingly, the Office action does not establish a *prima facie* case of obviousness against claim 7. Appellant respectfully requests that the rejection of claim 7 over Lebda in view of Bennett be reversed.

Claims 8 and 13

Claim 8 sets forth a system for obtaining application data from an applicant through a dynamically created application form. The claimed system includes a dynamic application module and a decision module. The dynamic application module receives requests to apply for at least one of a plurality of products, dynamically creates an application requesting data required to apply for the requested products, and receives the requested data. The decision module receives the data, generates a decision regarding the application, and provides the decision to the dynamic application module. The applied art does not show or suggest the dynamic application module set forth by claim 8.

Claim 8 sets forth a dynamic application module. The dynamic application module is for receiving a request to apply for at least one of a plurality of products, dynamically creating an application requesting data required to apply for the at least one of a plurality of products, and receiving the data requested. The Office action at page 5, cites to Lebda at column 7, lines 23-29, to show this limitation. The following steps of claim 1 of Lebda are recited at lines 23-29 of column 7: "receiving a plurality of credit data sent from the Internet user;" and "applying said credit data to a filter comprising the plurality of selection criteria of the database to select without manual intervention each one of said plurality of lending institutions associated with a match of said credit data to said selection criteria." The steps of claim 1 of Lebda do not suggest dynamically creating an application requesting data required to apply for at least one of a plurality of products. As discussed above, the Lebda invention provides "a universal credit qualification form over the Internet and [allows] the Internet user to submit a single credit application to a plurality of lending institutions who then make offers to the customer via the Internet." Lebda, col. 1, ll. 53-57. There is no suggestion in Lebda that the universal credit qualification form is dynamically created. The secondary reference to Bennett includes no suggestion to dynamically create an application. Accordingly, applied art does not suggest a

dynamic application module for dynamically creating an application requesting data required to apply for at least one of a plurality of products as set forth by claim 8.

Claim 8 sets forth a decision module in communication with the dynamic application module. The decision module is for receiving the data, generating a decision regarding the application, and providing the decision to the dynamic application module. The Office action, interprets module "to include any collection of hardware or software processes such that the result is effectuated." The Office action cites to further steps of claim 1 of Lebda to show the decision module. The Office action identifies no collection of hardware or software processes that effectuate the steps of claim 1 of Lebda that are relied upon show the claimed function of either the dynamic application module or the decision module. Claim 8 sets forth that the decision module is for providing the decision to the dynamic application module. As the Office action does not identify either a dynamic application module or a decision module in Lebda, there is no suggestion of a decision module for providing a decision to a dynamic application module.

For at least the reasons set forth above, Lebda in view of Bennett does not show or suggest the components of the system defined by claim 8. Accordingly, the final Office action does not establish a *prima facie* case of obviousness against claim 8. Appellant respectfully requests that this rejection of claim 8 be reversed.

Claim 13 depends from claim 8 and therefore includes each element of the system of claim 8. The rejection of claim 13 is deficient for the reasons set forth above with respect to claim 8. Appellant respectfully requests that the rejection of claim 13 be reversed.

Claims 9 - 12

Claim 9 depends from claim 8 and therefore includes each element of the system of claim 8. The rejection of claim 9 is deficient for the reasons set forth above with respect to claim 8. Further significant defects of the applied references as applied to claim 9 are discussed below.

Claim 9 further sets forth that the system includes a universal session manager and a profile database. The universal session manager verifies the originator of the request received by the dynamic application module. The profile database provides stored data regarding the originator of the request. The Office action at page 6, relies on column 8, lines 4-9, of Lebda to show the limitations of claim 9. This citation is to claim 3 of Lebda, which includes a step of

"verifying data input in a credit qualification form on a web site." This step of the Lebda method cited is directed to verifying that the data entered to a web site is in the correct form. In contrast, the claimed universal session manger creates a verification of the originator of the request. The universal session manger verifies the identity of the originator of the request. Lebda does not suggest a universal session manger as set forth by claim 9.

For at least the reasons set forth with respect to claim 8 and the further specific reasons set forth above, Lebda in view Bennett does not show or suggest the steps of the invention defined by dependent claim 9. Accordingly, the final Office action does not establish a *prima facie* case of obviousness against claim 9. Appellant respectfully requests that the rejection of claim 9 over Lebda in view of Bennett be reversed.

Claims 10 -12 depend from claim 9 and therefore include each element of the system of claim 9. The rejection of claims 10 - 12 are deficient for the reasons set forth above with respect to claim 9. Accordingly, appellant respectfully requests that the rejection of claims 10 -12 over Lebda in view of Bennett be reversed.

Claim 14

Claim 14 defines a method for dynamically creating an application form in a manner similar to claim 1. Claim 14 further sets forth that the request to apply for at least one of a plurality of products is in the form of a uniform resource locator, similar to the limitation of claim 7. Claim 14 also includes the step of parsing the uniform resource locator to identify the products. Claim 14 includes all the steps and limitations discussed above with respect to claim 1. Claim 14 is rejected for the same reasons as claim 1 and 7. Accordingly, Lebda in view of Bennett does not show the method of claim 14 for at least the reasons discussed above with respect to claims 1 and 7.

Claim 14 sets forth a step of "parsing the uniform resource locator to identify that at least one of a plurality of products." The Office action at page 3 asserts that access to any web page is implied in a URL. However, the URL set forth in claim 14 is not merely used to access a web page. It is further used to transmit a request to apply for selected products. The URL must therefore be parsed to identify which products are requested. An application page is then assembled to provide an application for the products requested. The Office action reliance on accessing web pages with a URL is insufficient to suggest parsing the URL to identify requested

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products as set forth by claim 14. Appellant respectfully requests the reversal of the rejection of claim 14 over Lebda in view of Bennett as these references fail to render claim 14 obvious for the same reasons as discussed above and with respect to claims 1 and 7. The Office action does not establish a *prima facie* case of obviousness against claim 14 for the reasons set forth above and with respect to claims 1 and 7.

Claims 15-19 dependent from Claim 14

Claims 15-19 are identical to claims 2-6 but for depending from claim 14. Claims 15-19 are rejected for the same reasons as claims 2-6. Lebda in view Bennett does not show or suggest the invention as defined by claims 15-19 for at least the reasons discussed above with respect to claim 14 and claims 2-6. The Office action fails to establish a *prima facie* case of obviousness against claims 15-19 for the reasons set forth above with respect to claims 1-6 and 14. Appellant respectfully requests that the rejections of claims 15-19 be reversed for the reasons set forth above.
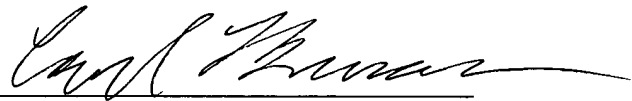
Conclusion

The claimed invention relates to the dynamic creation of an application form, that is a form for submitting information to apply for products and services. The applied prior art is silent regarding the creation of an application form. Accordingly, the applied prior art cannot suggest the invention set forth by the pending claims. Appellant has replied to every rejection set forth in the Office action in the above remarks. Each rejection has been shown deficient or overcome for the reasons set forth above. Accordingly, appellant submits that pending claims 1-19 are patentably distinguishable over the prior art of record. Appellant requests that the rejections be reversed, the application be returned to the Examiner and the claims allowed.

Respectfully submitted,

HUNTON & WILLIAMS LLP

Dated: May 6, 2005   By: _____

Hunton & Williams LLP   Carl L. Benson

Intellectual Property Department   Registration No. 38,378

1900 K Street, N.W.

Suite 1200

Washington, DC 20006-1109

(202) 955-1500 (telephone)

(202) 778-2201 (facsimile)

1.   A method for automatically creating a network based application form comprising the steps of:

receiving a request to apply for a plurality of products, the request received over a network, wherein specific information is required to be submitted to apply for each one of the plurality of products;

assembling an application page for display over the network, said page assembled from a plurality of documents, wherein each document of the plurality of documents contains at least one field corresponding to the specific information required to apply for one of the plurality of products; and

receiving information input corresponding to each field contained in the application page.

2.   The method of claim 1, further including the steps of:

validating the information input by comparing the information input to validation criteria; and

when the information input fails to correctly compare to the validation criteria, assembling a second application page including prompts to reenter information and receiving corrected information input.

3.   The method of claim 1, further including the step of forwarding the information input to a decision module for processing the information input.

4.   The method of claim 1, further including the steps of:

determining whether the request to apply originates from a customer that is logged in to a session manager;

accessing stored data regarding the customer if the customer is logged in, wherein the step of assembling an application page includes inserting the stored data in the application page displayed over the network.

5.   The method of claim 1 wherein the plurality of products includes banking products and the specific information required to apply for one of the plurality of products includes information regarding an amount of credit to be extended.

6.   The method of claim 5 further including the step of forwarding the information input to a decision module for processing the information input to determine if data input justifies extension of credit.

7.   The method of claim 1 wherein the request is in the form of parameters received within a universal resource locator.

8.   A system for obtaining application data from an applicant through a dynamically created network based application form comprising:

a dynamic application module for receiving a request to apply for at least one of a plurality of products, dynamically creating an application requesting data required to apply for the at least one a plurality of products, and receiving the data requested; and

a decision module in communication with said dynamic application module, said decision module for receiving the data, generating a decision regarding the application, and providing the decision to said dynamic application module.

9.   The system according to claim 8 further comprising:

a universal session manager in communication with said dynamic

application module, said universal session manager for creating a verification of an

originator of the request; and

a profile database in communication with said dynamic application

module, said profile database for providing stored data regarding the originator of the

request.

10. The system according to claim 9 further comprising a host server wherein said dynamic

application module, said universal session manager and said database reside on said host server.

11. The system according to claim 10 wherein said host server is connected to a network.

12. The system according to claim 11 wherein said dynamic application module provides the

application in the form of an application page over the network to the originator of the request.

13. The system according to claim 8 further including a processing database in

communication with said dynamic application module, said processing database for receiving

data regarding use of said dynamic application module.

14. A method for dynamically creating a network based application form comprising the

steps of:

receiving, over a network, a request to apply for at least one of a plurality

of products in the form of a uniform resource locator, wherein specific information is

required to be submitted to apply for each one of the plurality of products;

parsing the uniform resource locator to identify the at least one of a

plurality of products;

assembling an application page for display over the network, said page

assembled from a plurality of documents, wherein each document of the plurality of

documents contains at least one field corresponding to the specific information required

to apply for one of the plurality of products; and

    receiving information input corresponding to each field contained in the

application page.

15. The method of claim 14, further including the steps of:

    validating the information input by comparing the information input to

validation criteria; and

    when the information input fails to correctly compare to the validation

criteria, assembling a second application page including prompts to reenter information

and receiving corrected information input.

16. The method of claim 14, further including the step of forwarding the information input to

a decision module for processing the information input.

17. The method of claim 14, further including the steps of:

    determining whether the request to apply originates from a customer that

is logged in to a session manager;

    accessing stored data regarding the customer if the customer is logged in,

wherein the step of assembling an application page includes inserting the stored data in

the application page displayed over the network.

18. The method of claim 14 wherein the plurality of products includes banking products and

the specific information required to apply for one of the plurality of products includes

information regarding an amount of credit to be extended.

19.   The method of claim 18 further including the step of forwarding the information input to

a decision module for processing the information input to determine if data input justifies

extension of credit.

PROVISIONAL APPLICATION COVER SHEET

This is a request for filing a PROVISIONAL APPLICATION under 37 CFR 1.53 (b)(2).

BEST AVAILABLE COPY

Docket Number	00GP0001P	Type a plus sign (+) inside this box	+

INVENTOR(s)/APPLICANT(s)

LAST NAME	FIRST NAME	MIDDLE INITIAL	RESIDENCE (CITY AND EITHER STATE OR FOREIGN COUNTRY)
Bennett	James	D.	Austin, TX
Winslade	Christopher	C.	Chicago, IL

TITLE OF THE INVENTION (280 characters max)

WEB BASED INTERFACE SYSTEM HAVING AUTOMATIC LOAN QUALIFICATION AND AFFORDABILITY SCREENING

CORRESPONDENCE ADDRESS

ATTORNEY/AGENT NAME: Christopher C. Winslade
3122 N. Seminary, No. #3S
Chicago

STATE	IL ~~Chicago~~	ZIP CODE	60657	COUNTRY	U.S.A.

ENCLOSED APPLICATION PARTS (check all that apply)

- [X] Specification   *Number of Pages* <u>47</u>
- [X] Drawings   *Number of Sheets* <u>4</u>
- [ ] Small Entity Statement
- [X] Other (specify) return postcard

METHOD OF PAYMENT (*check one*)

- [X] A check or money order is enclosed to cover the Provisional filing fees ($150.00)
- [ ] If the check is missing, or insufficient, the Commissioner is hereby authorized to charge filing fees to Deposit Account Number:

PROVISIONAL FILING FEE AMOUNT ($150.00)	

The invention was made by an agency of the United States Government or under a contract with an agency of the United States Government.

- [X] No.
- [X] Express Mail Label No. EL 523302674 US

Respectfully submitted,

SIGNATURE _____   Date: <u>March 21, 2000</u>

TYPED or PRINTED NAME ___Christopher C. Winslade___   Reg. No. ___36,308___

Additional inventors are being named on separately number sheets attached hereto
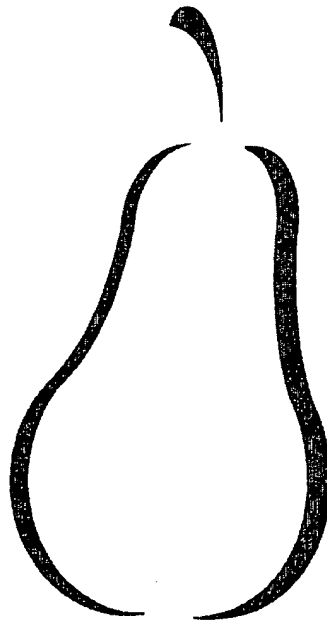
PROVISIONAL APPLICATION FILING ONLY

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CONFIDENTIAL

GreenPear Inc.

www.greenpear.com

info@greenpear.com

Executive Summary

Automobile manufacturers have recognized that their traditional "offline" distribution and sales infrastructures fail to adequately support the rapidly growing online market. In response, they have recently announced strategic partnerships to jointly develop infrastructure for servicing and expanding their online and offline markets, with aggregate investments in the billion dollar range. Leveraging off their development and using patent pending technology, we plan to focus on a virtually untapped market - that of automobile financing.

Using a web browser interface, buyers, dealers and even lenders will use our AutoAfford™ platform to obtain real time, multi or single lender loan qualification. Our platform will support automatic qualification processing of preselected vehicles, and, more importantly, will provide affordability screening to assist in the vehicle selection process. Once a buyer selects a prequalified vehicle, our platform completes the transaction with minimal offline processing or buyer, lender and dealer interaction.

With affordability screening, our AutoAfford™ platform limits the display of available vehicles to only those in inventory that a specific buyer is prequalified by one or more lenders to purchase. The buyer selects a displayed vehicle, chooses a favored lender, and completes the purchase. The buyer may conduct this process in whole or in part through the buyer's, lender's or dealer's web browser interface. By using our platform, the sales transaction occurs seamlessly without wasting buyers', dealers' or lenders' time pursuing unaffordable vehicles. In all cases, our platform will capture and allocate financing revenues based on services performed.

For example, as soon as a buyer arrives at one of our participating dealers, the dealer will offer to save the buyer time through our affordability approach to purchasing. Once accepted, the dealer, via a typical web browser, will access our AutoAfford™ platform and submit credit information gathered from the buyer. Within seconds, our platform will respond by displaying only those vehicles within the dealer's current inventory that the buyer is prequalified by one or more participating lenders to finance. If the buyer is not interested in the

dealer's affordable vehicles, the dealer and lender do not have to waste time looking at those that are unaffordable. The dealer will also be able to focus on up-sell opportunities, attempting to convince a buyer to purchase the most expensive vehicle and confidently adding options that the buyer can afford.

Similarly, if the buyer first approaches a lender, the lender using a typical web browser will submit the buyers credit information to our AutoAfford™ platform. In response, our platform will automatically display for buyer selection only those vehicles in the local inventory of our participating dealers for which the lender will grant buyer loan prequalification. Although the lender may attempt to close the sales and financing transaction at that time, the lender, knowing that revenue has been secured, can confidently send the buyer to a dealer for inspection and completion of the transaction.

The buyer may also initiate interaction with our platform from the buyer's browser. After submitting credit information, our platform will instantly respond by displaying all local inventory of our participating dealers that at least one of our participating lenders has prequalified. The buyer may complete the transaction online at that time, or may visit the lender, dealer or both before doing so. Upon such a visit, the lender or dealer can quickly and easily pull up the buyer's transaction profile to continue where the buyer left off.

No matter where the transaction originated or is finally accepted, our platform will automatically prepare and deliver the corresponding financing, sales and credit information to the lender for final verification and acceptance. Thereafter, our platform will prepare and generate all financing and purchasing contracts for final acceptance via buyer signature, then will automatically route copies thereof to the lender, dealer and buyer for further processing and/or storage.

We have assembled a core team of founders that specialize in e-commerce software development, intellectual property protection, finance and marketing. We have formed the business entity GreenPear Inc., a

Nevada corporation, and have created an intellectual property portfolio to protect our proposed market position.

We will develop and deploy our AutoAfford™ platform from an alpha stage through product release within 8 months of our initial funding event. Within our first year, we seek $12.8 million in funding. With this funding, we project positive cash flow within 14 months and break even within 19 months. We expect nearly $44.9 million in annual revenue per every 1% of dealer sales penetration. By the end of our second year, we project 3.0% penetration with monthly revenues exceeding $11.4 million.

Table of Contents

I. Business Description

A. Automotive Sales and Finance Industry

We believe that most automobile sales related Internet development has been misdirected. While focusing on online buyers, current web offerings ignore the largest market - the revenue currently generated by lenders' and dealers' personnel.

In 1999, only 80,000 new vehicles and 36,000 loans were sold and originated online, respectively. This constitutes a mere 0.5% of overall new vehicle sales and 0.2% of all loan originations. Such sales and originations occurred through browser interaction with buyers. Although growth is expected, a clear majority of vehicle loan originations and sales will continue to occur in a traditional manner through the dealers and lenders, as illustrated by the following graph.

Dealership And Online Automobile Sales

Sales in Millions of Units

Online New Unit Sales
Online New Unit Financing
New Unit Dealership Sales
New & Used Unit Dealership Sales
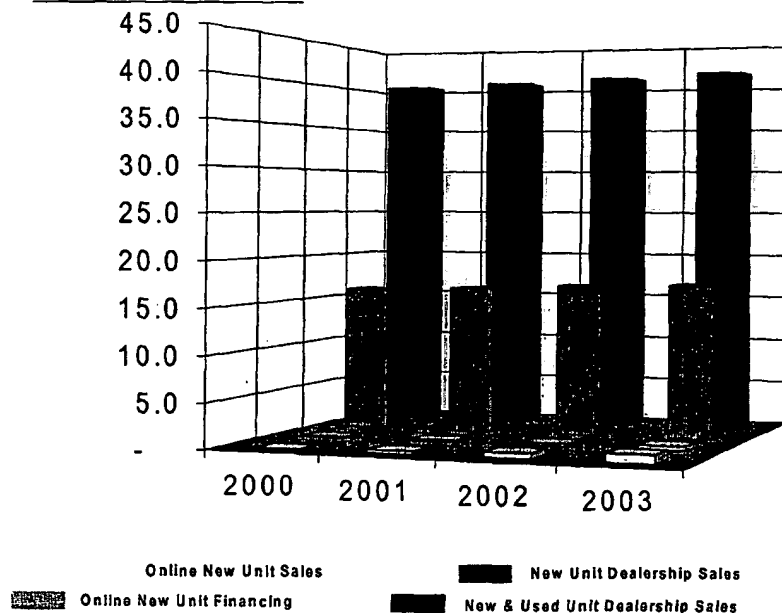
	2000	2001	2002	2003
Online New Unit Financing	0.04	0.32	0.64	0.95
Online New Unit Sales	0.08	0.18	0.32	0.50
New Unit Dealership Sales	16.00	16.30	16.75	17.00
New/Used Unit Dealership Sales	40.12	40.54	40.96	41.48

Even so, current online models have failed to address the traditional approach to vehicle loan originations and sales.

Traditional Offline Financing

In a traditional face to face interaction with the buyer, dealers originate roughly seventy (70%) of all vehicle loans. The points, i.e., percentage of total financed amount, that a dealer captures for origination often yields as much profit as that which results from the sale of the vehicle itself.

Also, in face to face buyer interaction, banks and savings and loans account for nearly the remainder of all loan origination. Efforts by the banks and savings and loans to obtain such origination often prove futile because dealers, attempting to capture the origination points, usually convince buyers to use alternate lenders.

Whether or not they visit a lender first, buyers typically visit dealers to view and test drive vehicles. If a buyer is willing, a dealer gathers buyer credit information for loan qualification processing.

Each dealer usually services about 20 or so lenders. Each lender, typically a local bank, provides guidelines that must be met before a buyer will be qualified at a given interest rate. Following these guidelines, a dealer can qualify a buyer for a loan without lender interaction.

For example, a dealer first retrieves a report from a credit bureau detailing the buyer's credit. The dealer then manually calculates income to debt, revolving credit to earning, proposed loan to income, etc., percentages as required by one or more of the lenders' guidelines. With credit bureau ratings, or credit scores, and the result of such calculations, the dealer determines whether the buyer meets the guidelines of any of the lenders' loan offerings.

If so, the dealer attempts to convince the buyer to accept the loan that maximizes the dealer's profit. Typically, lenders pay dealers two to three points for loan origination. Of course, dealers prefer the latter even though the buyer may not receive the least expensive financing available. Subject to lender's verification of the buyer's credit application information, the dealer completes the sale and loan origination transaction in the buyer's presence.

Traditional Offline Sales

Roughly 70% of all loan originations and nearly 100% of all new automobile sales still occur at the dealer. Similarly, about 40% of used car sales occur at the dealer. Even so, no online solution has been developed that supports the dealers' traditional sales environment.

A traditional dealer incurs an average of $1,527 in inventory, rent, advertising, sales commission, and administrative costs associated with sales and financing of an inventoried vehicle. A dealer saves an average of $638 with factory ordered vehicles, but has a strong incentive to move inventoried vehicles off the lot.

Because buyers typically want to purchase, without delay, a vehicle that they have seen and driven, dealers rarely sell factory ordered vehicles to buyers. When pressed to buy through factory order, most buyers usually back down,

stating they will go to another dealership. In response, a dealer usually offers to locate a vehicle for the buyer. This is considered a last ditch effort, because a ready, willing and able buyer that leaves the dealership usually never returns. If the buyer accepts the offer, the dealer attempts to trade one of its inventoried vehicles to an affiliated dealer for the desired vehicle.

Many times, the affiliated dealer will reject trade offers, especially with models in high demand. The interaction between dealers to arrange a trade for a located vehicle takes place via a series of telephone conversations, often over a few day period. During that time, buyers often purchase a vehicle elsewhere, or choose not to purchase the located vehicle. In either case, both dealers have wasted considerable time and effort.

If a dealer locates a desired vehicle but is unable to arrange a trade, the dealer rarely directs a buyer to the other dealer. This occurs because the dealer who has put forth the effort to sell the other dealer's inventory does not receive any revenue for such effort. Thus, if unable to arrange a trade, the dealer usually lets the buyer walk away, hoping the buyer will return to purchase the dealer's own inventory.

Thus, dealers spend significant efforts attempting to find a vehicle that they can convince a buyer to purchase without knowing what the buyer can actually afford. Dealers most often find such efforts fruitless because the buyer cannot obtain financing for the desired vehicle.

Current Online Sales Models

There are basically two online sales models. The first, including Autobytel, CarPoint, Carprices.com, AutoMallUSA, AutoVantage, Cars.com, etc., does not compete with dealers. Instead, these sites allow buyers to select from participating

dealers' inventoried vehicles. Once a buyer selects a specific automobile, such sites deliver the sales lead, i.e., the buyer's contact and selection information, to the dealer. The dealer responds typically via telephone, attempting to convince the buyer to visit the dealer to complete the sale. Such sites typically charge the dealer for $25 to $29 for the lead. Dealers consider this service to be an advertising expense.

The second model, including CarOrder and CarsDirect, directly competes with dealer sales. CarOrder directs its sales through wholly owned dealerships (one in each State) for inventoried or factory ordered sales. CarsDirect only sells factory ordered vehicles. Through factory order, both CarOrder and CarsDirect believe that without associated inventory costs, they will be able to sell an automobile at a lower cost than can a dealer.

CarsDirect faces at least three barriers to market penetration. First, many States have passed legislation that restricts online sales to protect dealers. Second, manufacturers may choose to favor dealers' allocation fulfillment over that of CarsDirect. If so, delivery time will increase and become even more unpredictable. Lastly, CarsDirect fails to support test drive and associated impulse buying.

CarOrder has attempted to counter many barriers to entry by purchasing a dealership in each State. Doing so, CarOrder believes it will overcome the State legislation since it has become a dealer. CarOrder does not intend to support test drive and associated impulse buying.

Even so, with total online new vehicle sales of about 0.5% for 1999, online sales sites have done little more than provide information to buyers who purchase and finance in the traditional manner.

Current Online Financing

Nearly 30% of all loan origination still occurs through face to face interaction between buyers and lenders. Even so, current online systems provide little support for lenders.

Most online sales platforms use an antiquated single lender financing approach. Such platforms merely provide the buyer with a credit application form that is forwarded to a single lender for processing during business hours. The buyer must type in all of the vehicle information and total amount, term and down payment of the loan. Such information is rarely accurate or optimal.

For instance, a buyer does not know the effect increasing or decreasing the down payment or number of months will have on the total cost of ownership. Similarly, although required in the loan application, a buyer typically does not know what the total amount of the loan will end up being. Even so, current online systems simply forward the credit application as is to a single lender.

Within a day or two of receiving the credit application and after having performed traditional credit analysis offline, the lender responds to the buyer via telephone or email with a rejection or an indication of pre-qualification.

While waiting for the response from the lender, many buyers often decide not to purchase, or go directly to a dealer and buy a vehicle with dealer originated financing from a different lender. And even when a buyer waits for the response, the buyer typically allows the dealer to originate a loan from a different lender, foiling the on-line lender's efforts.

CarOrder, AutoNation, CarsDirect and many similar platforms provide such limited, single lender functionality.

A few other online automobile sales platforms employ a finance referral service, such as LendingTree Inc. or eLoans, to support multiple lenders. The finance referral service, which is oblivious to the underlying vehicle selection, communicates a buyer's credit application to multiple lenders for traditional approval processing.

Specifically, the finance referral service delivers an online credit application to the buyer's browser. As before, the buyer is required to define the loan parameters, but does not have the ability to do so accurately or optimally.

Once the buyer submits the completed credit application, the finance referral service forwards the application to multiple lenders for traditional manual credit processing by each lender, taking up to two days for a response.

As with the single lender financing systems, while waiting for and after receiving lenders' responses, buyers often decide not to purchase, or visit a dealer and complete the financing with a different lender originated by the dealer.

Autobytel and Carpoint are exemplary platforms using this limited, multi-lender approach.

Moreover, in either the single or multiple lender scenarios, when rejected, the buyer does not know what would, in fact, be acceptable. For example, the buyer does not know whether to: (i) change the down payment, (ii) number of months, (iii) choose less expensive options, (iv) choose a less expensive vehicle, or (v) buy a used vehicle. Often as a result, the buyer simply chooses to give up.

The Current Frenzy

Automobile manufacturers initially entered the online market with not much more than web pages describing their vehicle models and listing contact information for their dealers. Dot com companies such as Autobytel and CarOrder have given manufacturers a rude awakening. Manufacturers realized that, unless they acted soon, unaffiliated dot com businesses would capture substantial profit while redefining the manufacturer's antiquated sales and distribution channels.

Manufacturers had two options. They could have rallied behind their dealers in state lobbying campaigns targeted at preventing competing dot com sales. Instead, after analyzing the additional sales revenues that they might capture, they chose to adopt the dot com model. Recognizing perceived strengths in Trilogy Software Inc.'s CarOrder platform, the automobile manufacturers formed a strategic partnership with Trilogy Software Inc., much to their dealers' dismay.

Even so, manufacturers have yet to consider the inefficiencies in their traditional financing channels. We believe that full redefinition of the traditional sales and distribution channels cannot be achieved without considering online financing. Without buyer, lender and dealer centric online financing services driving underlying sales transactions, success of the redefined sales and distribution channels cannot be fully realized.

B.   Company Background

Jim Bennett and Chris Winslade, intellectual property attorneys and engineers, first recognized the need for an affordability approach to vehicle selection and finance when attempting to use currently available online systems. Messrs. Bennett and Winslade realized that, without easy to use vehicle sales sites that focussed on affordability-based

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sales, buyers will spend too much time and energy considering and attempting to buy vehicles they cannot afford.

To confirm their findings, Messrs. Bennett and Winslade recruited the help of two experts in the Internet industry: Mr. Bindu Rao, who has extensive expertise in ecommerce platform development and design, and Mr. Robert Phillips, who has a significant finance, marketing and Internet start up background. After conducting exhaustive industry research, the four founded GreenPear Inc. to address the discovered market deficiencies.

GreenPear Inc., a Nevada corporation, has a principal place of business of 6712A Hart Lane, Austin, Texas 78731. The corporation has 50 million shares authorized with 4 million common shares issued to the founders. We are seeking $12.75 million in equity investments during the next 12 months to develop our AutoAfford™ platform and begin sales and marketing efforts. We plan to issue preferred shares in return for investment capital.

We can be reached via telephone number at (512) 794-3210, or via email at info@greenpear.com. Although our website may be found at http://www.greenpear.com, to protect our business model, our plans are currently not posted.

C. Products and Services

GreenPear will provide a web server based AutoAfford™ platform that supports browser based interaction among buyers, lenders and dealers. Our platform will support the entire purchasing transaction no matter where the transaction originates or where the transaction is concluded.

A buyer interacts with our AutoAfford™ platform by submitting a completed or partially completed loan application. This can be done by the buyer, or by the lender

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or dealer for the buyer, via a typical web browser. Upon receiving the application, our platform instantly responds by displaying only those vehicles within our participating dealers' inventories that the buyer can afford to purchase with loans from one or more of our participating lenders.

Our AutoAfford™ platform determines loan affordability by analyzing the buyer's credit information in view of the loan requirements of each of our participating lenders. When the buyer submits a completed loan application, such affordability determination will constitute loan pre-qualification subject only to verification of the buyer's credit information, e.g., salary, length of employment, etc. Otherwise, when the buyer submits a partially completed loan application, our platform will merely estimate loan affordability.

By filtering vehicles that the buyer cannot afford, the buyer may quickly and confidently select an affordable vehicle for purchase. After selecting the affordable vehicle, our AutoAfford™ platform delivers a list of all loans offered by participating lenders that have prequalified the buyer for the selected vehicle. After comparing the loan offerings, the buyer can complete the purchase of the selected vehicle at that time (subject only to verification of the buyer's credit application information). Alternatively, the buyer may store the transaction in a buyer profile for later review and completion on any of the buyer's, lender's or dealer's browsers.

With our platform, many buyers will initiate the purchasing transaction on their own browser. Even so, we expect that, at least in the near term, most transactions will continue to be initiated by dealers and lenders. Thus, unlike current web offerings, our AutoAfford™ platform provides lenders and dealers, via their respective web browser, an affordability interface to assist in vehicle sales and financing.

For example, the lender can help a walk-in buyer select a vehicle and loan based on affordability and preference, and then complete the purchase transaction for the buyer. Similarly, the dealer can use the affordability approach to select from its inventory only those vehicles that the buyer can afford, and then complete the transaction when the buyer accepts a prequalified loan.

Our platform will also interact with credit reporting servers and, for used car trade-in processing, blue book estimation servers.

Initial Implementation

The following figure is a functional block diagram that illustrates operation of our AutoAfford™ platform as of our initial product release.
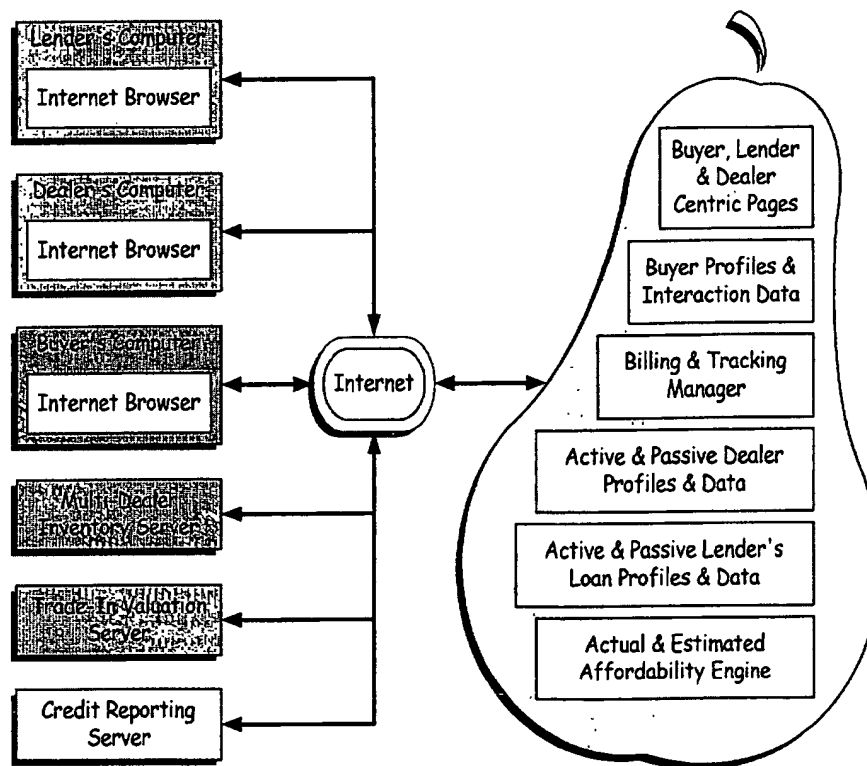
Our server platform, represented by the green pear, delivers server pages to any lender's, dealer's or buyer's computer through conventional web browsers. By storing buyer profiles and interaction data, our platform will support purchasing transactions (hereinafter "transaction sessions") that may take place over an extended period of time. A transaction session will involve delivery of server pages to one or more of the buyer's, lender's and dealer's computers upon request.

Our AutoAfford™ platform will also support active and passive dealers and lenders. An active dealer comprises a participating dealer that utilizes our platform to complete purchasing and financing transactions. A passive dealer comprises a dealer that does not utilize our platform yet whose inventory we expose to buyers. Similarly, our platform will support active lenders -- those that agree to participate on a local or national level, and passive lenders -- those that participate solely through specific dealer support.

Our platform's affordability engine will process buyers on an estimated basis upon receipt of a partially completed credit application, or on an actual basis upon receipt of a completed credit application. For actual affordability processing, our platform will interact with current online credit reporting servers to retrieve buyers' credit reports.

Interaction with trade-in valuation servers such as that from Kelley Blue-Book will permit our AutoAfford™ platform to provide a more accurate affordability screening, yet final affordability processing will be subject to verification and potential adjustment of actual trade in value by the dealer.

No matter how the transaction takes place, as long as it involves at least one of the buyer's, lender's or dealer's computers, our platform will track and collect revenue upon completion of vehicle financing.

Dealer Centric Operation

A dealer may interact with our AutoAfford™ platform via a dealer's computer to originate a walk-in buyer who has never visited our platform site. A dealer may also interact with our platform to continue an existing transaction session previously originated via the buyer's or a lender's computer.

Using our platform to secure financing, a dealer may sell a vehicle within its own inventory or, in a rather unique profit sharing arrangement, within that of any other dealer.

The following figure illustrates a dealer's typical interaction with our platform.

If a walk-in buyer has never interacted with our platform, a dealer, using its computer, will originate the transaction

session by downloading from our platform an interactive loan application. After prompting the buyer for full or partial credit application information, the dealer submits the application to our platform for processing by our affordability engine.

For a completed credit application, such processing will involve the retrieval of the buyer's credit report from a third party's credit reporting server for analysis along with income information supplied by the buyer. Otherwise, our platform will estimate affordability. In either case, the dealer will typically use affordability processing to display only those vehicles within the dealer's inventory that the buyer is qualified to finance.

If a walk-in buyer has previously interacted with our platform, the dealer, using its computer, will retrieve the transaction session by accessing the buyer's profile and transaction data from our site. Using stored affordability processing results, the dealer displays only those vehicles in inventory that the buyer can afford to finance.

The dealer may also prescreen vehicle types or select one or more vehicles for such affordability processing. If the dealer is unable to find a vehicle within its own inventory that the buyer desires and is able to finance, the dealer may extend the affordability processing to include other dealer's inventories. If the dealer then locates a vehicle that the buyer desires and can finance, the dealer may either complete the sale along with securing financing, or willingly send the buyer to the other dealer, knowing that a portion of the financing revenue has been secured.

As the dealer adds options (such as insurance, extended warranties, etc.), adjusts the purchase price during negotiation, or adjusts trade in value estimates, our AutoAfford™ platform delivers affordability indications to

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prevent the dealer from unknowingly causing the desired vehicle to become unaffordable to the buyer.

Our platform assists the dealer in selecting a loan that maximizes the dealer's revenues. We will accomplish this by sorting loans primarily based on maximum points delivered to the dealer for originating financing and secondarily based on the lowest interest rate for the buyer. With such sorting, a dealer may quickly locate the most profitable loan that the buyer will accept. Once the buyer accepts a loan, our platform performs automatic processing that eliminates traditional dealer intensive loan processing paperwork.

Lender Centric Operation

Using a typical browser program, a participating lender will interact with our AutoAfford™ platform to originate walk-in or call-in buyers who have never visited our platform site. A lender may also interact with buyers that previously originated a transaction session on the buyer's or a lender's computer.

Using our platform, the lender can automatically identify whether or not the buyer is qualified to purchase a preselected vehicle. If the buyer has not preselected a vehicle, the lender may assist the buyer in the selection process through our platform using affordability screening.

Once an affordable selection has been made, our platform will allow the lender to attempt to convince the buyer to accept: (i) the lender's loan as is; (ii) the lender's loan with adjustments to match other lending competition identified by our platform; and (iii) a different lender's loan. When the lender opts to use a different lender's loan, our platform will automatically provide the lender revenue for such origination.

The lender may also utilize our platform to automatically determine what a buyer must do to be able to purchase a certain vehicle identified as unaffordable. For example, an increase in the term, increase in down payment, payoff of a certain amount of revolving credit, etc., may be suggested, enabling the lender to capture more buyers.

Additionally, because the lender has the option at matching the best lending rate of another lender or offering another lender's loan, it will be rare that a lender who originates a buyer will not originate a loan.

A lender's interaction with our AutoAfford™ platform can be appreciated with reference to the following figure.

A lender will interact with a new buyer by first originating a transaction session which will only end when the buyer completes a purchase, possibly weeks later. To originate the

transaction, the lender uses its computer to download from our platform interactive loan application server pages. After prompting the buyer for full or partial credit application information, the lender submits the application to our platform for actual or estimated affordability processing, respectively.

Actual processing will involve the retrieval of the buyer's credit report from a third party's credit reporting server. Upon receipt of the report, our AutoAfford™ platform will analyze the buyer's credit information to determine which, if any, lending guidelines have been successfully met.

Our platform will display for buyer selection the entire affordable vehicle inventory. More often, however, we believe that the lender will at least initially choose to only display those of the affordable vehicle inventory that the lender has prequalified. In this way, the lender may more effectively steer the buyer towards a vehicle that the lender has a chance to finance.

Regardless, once a buyer selects a vehicle, the lender may attempt to complete the purchasing transaction at that time. Of course, doing so will ensure the lender maximum profit on the transaction. Such efforts by the lender will effectively extend a dealer's sales force.

The buyer may also choose one or more vehicles to inspect at local dealerships. If so, the lender may analyze the loan competition for such vehicles and might respond by matching the best rate or selecting the lender offering the best rate. In this way, the lender may not only originate the buyer, but may also insure origination of the loan and the vehicle.

Our platform will also estimate affordability for the lender, which, when supplemented with full credit application information, can be upgraded to support pre-qualification.

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More likely however, lenders will be providing actual affordability estimates for new buyers or buyers that have previously estimated affordability using our platform.
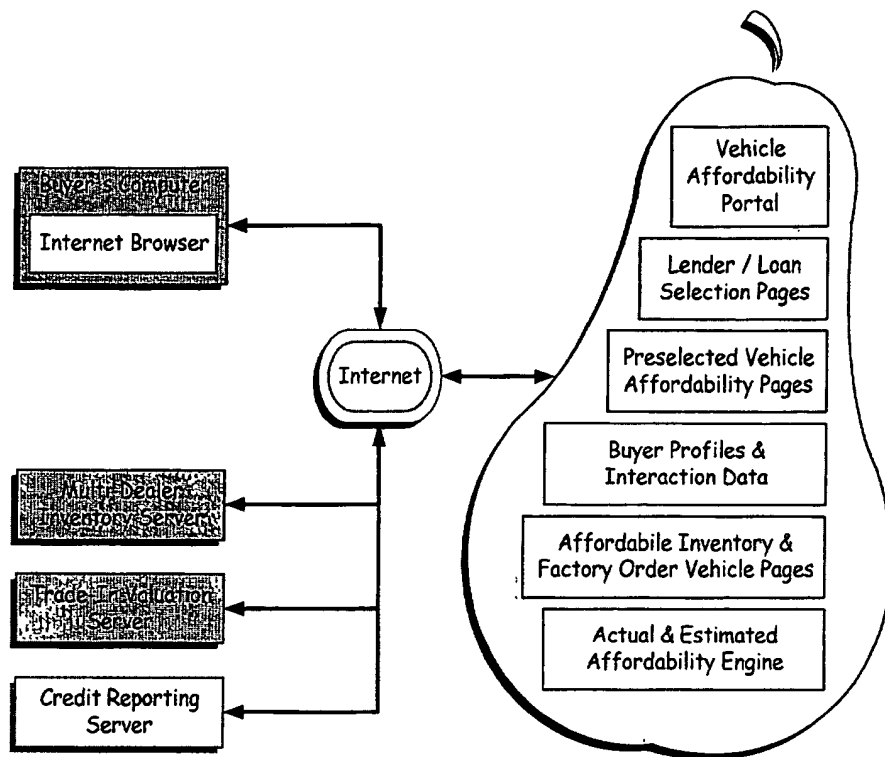
Also using our AutoAfford™ platform, the lender will easily retrieve a buyer's profile and transaction data to reestablish a transaction session. Using stored affordability processing results, the lender can assist the buyer in any way to help close the transaction.

The lender may also prescreen vehicle types or select one or more vehicles for such affordability processing. As with the dealer, the lender will be able to add transaction options, such as insurance, extended warranties, etc., while our AutoAfford™ platform delivers affordability indications to prevent the lender from unknowingly causing the selected vehicle to become unaffordable to the buyer.

Once the buyer accepts a loan either at the lender's, buyer's or dealer's computer, our AutoAfford™ platform performs automatic processing, eliminating traditional manual loan processing paperwork.

Buyer Centric Operation

From the buyer's viewpoint, our AutoAfford™ platform with sessioning provides a working environment that assists a buyer no matter where the buyer indicates a desire to purchase, and no matter where the buyer completes the financed purchasing transaction. The buyer may begin and end the transaction at one or more dealer's and/or lender's, or may conduct any part or all of the transaction at the buyer's computer, as may be appreciated with references to the following figure.

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A buyer may interact with our AutoAfford™ platform using a typical browser program running on the buyer's computer. The buyer may initiate the transaction session at a lender or dealer, as previously described, and may complete such session from the buyer's computer.

Of course using their own computers, many buyers will begin the transaction session by interacting with credit application server pages delivered by our platform. Based on actual or estimated affordability, the buyer will be able to quickly focus on a vehicle that will not waste the buyer's time and efforts.

The buyer may also prescreen vehicle types or select one or more vehicles for affordability processing. As the buyer adds options such as insurance, extended warranties, etc., our platform delivers affordability indications to let the buyer know when the desired vehicle becomes unaffordable.

The buyer will be able to not only select an affordable vehicle, but will also be able to select the best financing available from multiple participating lenders. Afterwards, the buyer may immediately complete the transaction or complete the transaction on a dealer's or lender's computer. Once the buyer accepts a loan for a selected vehicle, our platform performs automatic processing that eliminates traditional loan processing paperwork.

D. Pricing Strategy

We have developed a platform strategy positioned to address the needs of the buyer, lender and dealer, and which enables an easily captured and justifiable transaction based revenue stream. Such justification is due to the increased efficiencies, functionality, and buyer origination that our platform offers.

Near term, we are basing our pricing strategy on a sharing of traditional loan origination revenue earned. Such revenue, typically 2-3 points on each loan, averages about $550 per vehicle financed. Of this amount, we plan to charge lenders $110 for our dealer, buyer and lender services, no matter how the overall transaction session takes place. The remainder will be allocated between the lender and dealer based on their contributions to the overall financing transaction.

Of course there are many other sources from which revenue may be generated. For example, we intend to capture further points with strategies that penetrate the note acquisition arena, potentially increasing our revenue base by a factor of six.

We have also considered further allocating the remaining portion of the loan origination revenue based on the respective efforts of the lender, dealer and our platform. If

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we do choose to implement such further allocation, we plan the following percentage distributions:

30% for buyer origination;
20% for lender and loan selection;
30% for dealer and vehicle selection; and
20% for loan approval and closing processing.

Of course, these percentages may be fine tuned and further categories may be added, if necessary.

II. The Market

A. Customers

We view our customers as being buyers, lenders and dealers. Our platform, through browser interaction, will offer customer specific functionality to meet the needs of each. Even so, at least for the near term, we expect to drive our market growth with focus on dealer penetration.

The automotive market is largely dominated by the traditional dealer network, and forecasts indicate that this domination will continue during the foreseeable future. We plan to provide online tools supporting the current dealer market -- a market being ignored by other online automobile platforms.

B. Service Providers

Our AutoAfford™ platform will interact with three significant groups of online service providers: 1) credit reporting services; 2) auto inventory services; and 3) blue book estimators. Although we may easily integrate without assistance, we plan to form mutually beneficial strategic partnerships with such online services. We have also begun preparation of patent portfolios that will enhance such

service providers' operations, and prevent them from engaging in similar relationships without our approval. We will use such portfolios in securing favored partnership status.

C. Market Size and Trends

According to CNW Marketing Research, in 1998, Americans spent over $667 billion to purchase 60 million new and pre-owned vehicles. Franchised dealerships accounted for $534 billion in sales during 1998 selling approximately 45 million vehicles. Over 16 million were new vehicle sales. There are about 22,300 franchised dealerships holding 49,000 manufacturer's franchises.

Online sales are projected to lag behind dealership sales significantly. During 1999, there were only about 80,000 new vehicles purchased with online interaction, as can be seen from the following chart.

1999 New Automobile Purchases

Online
Referral
0.48%

Online
Research
39.80%

Online
Purchase
0.01%
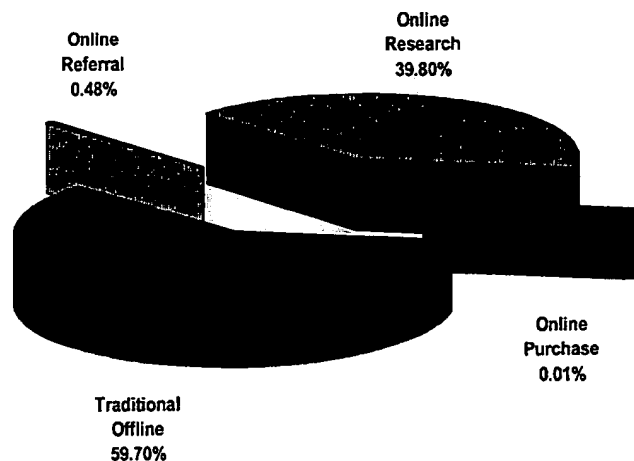
Traditional
Offline
59.70%

While most buyers may not purchase a vehicle online sight unseen, they are likely to at least research the purchase online. In fact, according to JD Powers, nearly all of the 40% of new vehicle buyers who used the Internet did so only to search for vehicle information in 1999. This figure is expected to increase to approximately 66% by the end of 2001. By 2003, Forester predicts that there will only be 500,000 vehicles sold online, still constituting less than 1% of total vehicle sales.

The automobile financing market faces similar projections. Although currently no associated online financing exists, our AutoAfford™ platform will fill this gap. With our platform, we intend to capture and convert traditional offline dealer and lender financing, while displacing disassociated online financing.

Total 1999 New Auto Financing

Traditional Offline
Dealer Financing
69.84%

Disassociated
Online Financing
0.22%

Associated
Online Financing
0.00%

Traditional
Lender Financing
29.93%
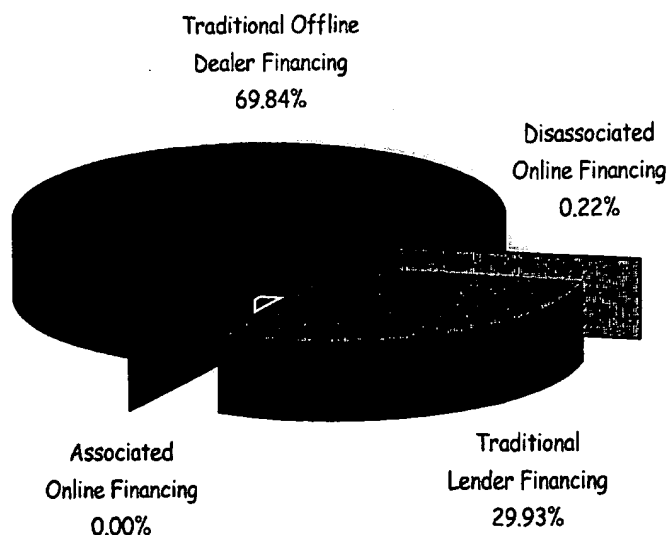
As may be appreciated from the above chart, less than 1% of all automobile financing occurred online in 1999. Projections

for the year 2000 indicate that 36,000 automobile loans will be originated online. Even by then, online loans will still constitute less than 1% of the overall originations.

In both the financing and sales markets, our competition has focussed on the buyer. We, however, recognize that the real market is with the lender and dealer. Even so, our platform not only caters to lenders and dealers, but services buyers as well.

Even with such rapid growth, online automobile financing is lagging other online lending markets. We believe this is due to at least one overriding cause -- current online lending models are disassociated from the vehicle selection process.

The online dealer market is also experiencing rapid growth as is illustrated by the following graph.

Auto Dealers Make the Move Online
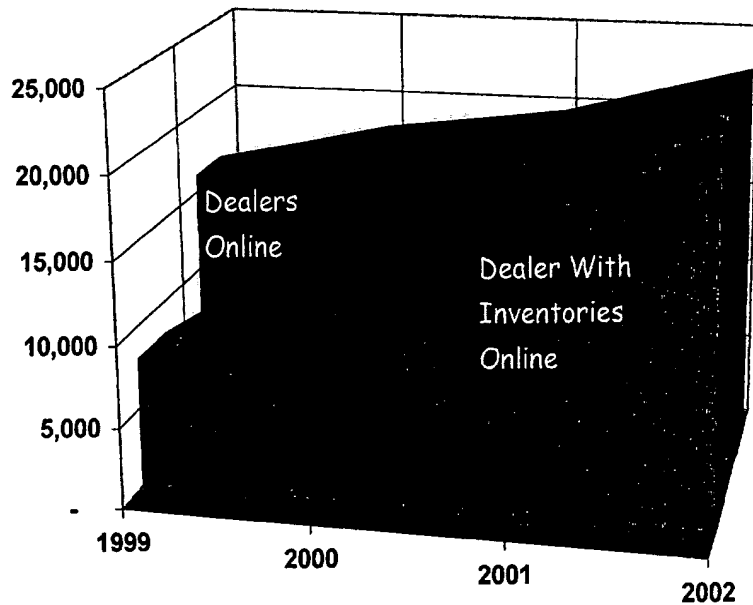
	1999	2000	2001	2002
Dealers With Inventories Online	8,000	15,000	20,000	23,200
Total Dealers Online	16,000	18,500	20,000	23,000

Dealers are rapidly establishing an online presence, and, more importantly, online inventories with the assistance of manufacturers and 3rd party vendors. Our AutoAfford™ platform will leverage off of such growth to our, the buyer's, lender's and dealer's benefit.

D. Competition

The market for online vehicle financing, although currently independent from the vehicle selection process, is rapidly developing. With our pioneering affordability technology, we have an important first mover advantage. Even so, current and potential new competitors could attempt to establish online platforms using our teachings. Applying our strong intellectual property backgrounds, we have begun and will continue to develop an extensive patent portfolio to fend off such attempts.

To date, no direct competition exists that provides our affordability approach or has attempted to solve dealer problems. Nevertheless, we realize that we will face competition from traditional offline and recent online financing approaches.

Competition might also be found with online sales sites that integrate with our financing competitors' platforms. However, no competitive partnering will be able to utilize our levels of integration and our affordability approach.

Unlike current online sales platforms, we do not seek to collect fees on the sale of a vehicle. Thus, in addition to being dealer friendly, we are not constrained from operating in the many U.S. States that have enacted laws currently plaguing current online sales platforms. Regardless, should we so choose, we believe that our offers to similarly integrate would be well received.

We seek to share loan origination fees with dealers and lenders. Such sharing will also allow one dealer to sell another dealer's products and still receive fees. Similarly, using our platform, one lender can sell another lender's services and receive a fee as well. No other competitor can match our flexibility.

Offline Financing Competition

Offline financing competition will include non-participating credit unions, local and national banks, leasing organizations and captive financing divisions of automotive manufacturers. Such lenders finance buyers through offline, walk-in servicing and through dealer origination agreements. In either case, the associated approval and closing process is paper-intensive, time-consuming, and accompanied by high fixed costs and labor expenses for both dealers and lenders. Even so, nearly all financing continues to occur as has been traditionally done -- offline.

Also within the offline financing market, each dealer competes to displace lenders' attempts to finance walk-in buyers to gain origination fees. With our platform, the success of such dealer / lender competition will only increase, forcing lenders to participate through our platform.

For buyers, the traditional financing process is also unnecessarily time-consuming, and can often be frustrating, uncomfortable and confusing. To minimize these problems, over 70% of buyers choose to originate their loans at the dealer, even though the buyer rarely receives the best available financing.

Online Financing Competition

Online financing competition will come from platforms such as LendingTree, eLoan, AutoeLoan, Wingspan and others, as previously discussed. Such single and multi-lender online financing models will fail to compete effectively because they are disassociated from the vehicle selection and purchasing process.

Specifically, current single lender online sites generally mirror the traditional lending process. Buyers visit a lender's website to fill out a credit application. Although very difficult to complete optimally, the credit application still requires the buyer to submit information regarding a desired vehicle and the loan. In response usually within days, the buyer will be either approved or rejected. If approved, as with the traditional offline lender, the buyer visits a dealer who attempts to displace the online loan offering.

Multi-lender online sites typically generate revenue by providing referrals to lenders. Because such sites do not generate revenue upon loan closings, they have little incentive to ensure that lenders, buyers and dealers complete the financing and sales transaction. Instead, they act merely as middle men offering very little to the transaction participants.

Whether supporting single or multiple lenders, competitive online sites have also failed to provide financing tools for the dealer that the dealer desires to use. By doing so, only our AutoAfford™ platform will be able to benefit from dealer assistance in loan selection and processing.

We believe that the inefficiencies of the traditional lending and sales processes and the shortcomings of other online business models, combined with the large and recurring

nature of consumer loan demand, offer a substantial opportunity for our business model.

Dealer Financing Competition

Online financing competitors have wholly failed to service the dealer's traditional financing business, instead focusing on the dramatically smaller market of online consumers. Our platform will meet the specific needs of dealers, while providing a most attractive affordability pathway supporting increased online consumer growth.

Online competitors also fail to realize that even though many buyers begin their vehicle search online, nearly all of such buyers complete the purchase at a dealer. And, at the time of sale when the actual purchase price is finally determined, dealers have every incentive to displace any online loan offerings by attempting to convince the buyer to accept a dealer originated loan.

We believe that under most circumstances, if a dealer cannot beat the interest rate of the online loan, the buyer will still accept a dealer originated loan because added vehicle options may have caused the final purchase price to exceed the range of the online loan offering. Similarly, a buyer while at the dealer may select and purchase a different make or model from that associated with the online loan offering. Rather than wait to resubmit another credit application online, the buyer will typically allow the dealer to originate a loan in the traditional manner -- offline.

By providing dealers with an integrated financing tool that they prefer to use and by offering pluralities of attractive competing loans, we expect little of such online competition.

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Online Sales Sites

As mentioned previously, there are basically two online vehicle sales models. The first, including Autobytel, CarPoint, Carprices.com, AutoMallUSA, AutoVantage, and Cars.com, do not attempt to compete with dealers. Instead, they allow buyers to select from participating dealers' inventoried vehicles. Once a buyer selects a specific automobile, such sites forward the sales lead information to the dealer. The dealer responds typically via telephone, attempting to convince the buyer to visit the dealer to complete the sale.

We may choose to integrate with sites having this first sales model, although currently we have no plans to do so. Integration may involve applying our affordability analysis to a vehicle selected through such sites, i.e., partial integration, or may permit such site to use our affordability screening to help in the vehicle selection process, i.e., full integration.

Although our AutoAfford™ platform will easily support such integration, our current decision not to offer partial or full integration is based on our conclusion that such sites have failed to adequately service their intended markets and, not surprisingly, have demonstrated insignificant market penetration. Collectively, such sites are projected to not even reach 1% of vehicle sales by the end year of 2003.

Integration with such sales sites will also prove unnecessary. After such sites deliver lead information to a dealer, the dealer will be able to use our platform for financing, to manage upgrades and options, and, if necessary, select an alternate, affordable vehicle for the buyer.

The second online vehicle sales model, including CarOrder and CarsDirect, involves direct competition with dealer sales. CarOrder directs its sales through wholly owned dealerships

for inventoried or factory ordered sales. CarsDirect only sells factory ordered vehicles. We may also choose to partially or fully integrate with such sites. But again, because such sites have very little market penetration (far less than 1%), we have yet to determine whether such integration has worthwhile value.

E. Estimated Sales

As previously described, at least initially, we will capture $110 for each financing transaction that occurs utilizing our platform. We expect a small percentage of buyers to use our platform to perform an affordability search and purchase an automobile directly from a dealer entirely via their own computer. We expect another 20% to 30% of our transactions to originate with lenders. For the bulk of our platform operations, dealers will be involved in at least closing the sales and financing transaction.

In the United States alone, there are about 22,300 franchised dealers that sell approximately 40 million vehicles annually. 16 million of such sales are for new vehicles. Approximately 70% of all such sales are originated and completed by the dealer.

We plan to market our platform to dealers, lenders and buyers directly. Our primary target market, however, comprises franchise dealers having new and used vehicle inventories online.

The average franchise dealership makes approximately 1520 unit sales per year industry wide. There are many larger dealerships that sell considerably more units than the average. We will focus our initial efforts on working with the larger dealerships, and the groups that typically hold between 10 and 50 dealerships. With just the larger

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dealerships, we expect to average 1200 platform transactions per year for each dealership.

By the end of our first year we plan to have 80 dealers on line and complete 17,000 transactions, resulting in $1.8 million in revenue. During the second year, we plan to expand to 1260 dealers and capture transaction revenues of $76 million on 692,000 transactions.

By year three, our goal is to capture approximately 5.4% of the dealership market, and earn revenues of over $202 million on 1.8 million transactions.

III. Corporate Development

A. Development Status

We have completed the overall design and have identified resources needed for implementing our AutoAfford™ platform. We have generated software specifications detailing platform functionality from alpha through initial product release. Patent applications directed to many aspects of our platform are on file.

B. Development Schedule

From our start date, an alpha version of our AutoAfford™ platform will be completed at the end of the fifth month. Beta will follow at the end of the seventh month. After a one month testing period, we anticipate a full product within eight months.

Our platform will be based on web server and application server software readily available in the market. The development process will be performed by a team of software developers in Austin under direct supervision of founder, Mr. Rao, with assistance from Messrs. Bennett and

Winslade. Further intellectual property will be procured as the need arises during the production process.

C. Staffing Schedule

Months: 1 to 2	3 to 4	4 to 6	Title:
1			President
	1		CEO
1			CFO/COO
1			Chief Technical Officer
1			Development Director
2			Database Manager
2			Lead Developer
4	4		Developers
	1		XML Developer
	1		HCI Developer
	1		Tester
2	4	4	Integration Consultants
	1	1	Post Deployment
	1		System Administrator
		2	Customer Support
	1		VP Marketing
		1	Lender Marketing
		1	Dealer Marketing
	1		Director of Sales
	4	4	Sales Staff
1			VP Content Development
	1		Director Content Marketing
	1		VP - General Counsel
1			Human Resources
	1		Controller
	1	2	Administration
16	24	15	TOTAL

D. Use of Proceeds

Divisions:	
Salary and Payroll Expenses	
Management	932,292
Development and Deployment	2,973,542
Marketing and Sales	1,191,667
Operations	
Rent	112,000
Insurance	39,250
Supplies	27,600
Professional Fees	115,000
Utilities and Phone	60,950
Technology Cost	
Hardware Expense Network	120,000
Hardware Expense Workstations	192,000
Software	620,000
Platform fees	85,000
Bandwidth	38,100
Other co-location fees	18,000
Marketing	
Travel	500,000
Corp Advertising	192,000
Placement and Links	165,000
Marketing Research	103,500
Sales Promotion	4,078,500
Misc. Cost (15% of Operating Cost)	1,184,220

Total Requirements: $12,748,620

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IV. Sales and Marketing

A. Strategy

Our customer base includes dealers, lenders and buyers. To reach each, we will utilize a three-pronged marketing approach.

Marketing to Dealers

First, we will apply direct marketing to capture dealers. We will initially approach only those dealers having online new and used vehicle inventories. There are several multi-dealer online inventory sites that offer a jumpstart. We will create strategic partnerships with such sites and then contact their underlying dealers and offer participation through our platform. Because we will not charge dealers for our service, we expect little resistance.

Once on our participating list, dealers will use our platform to perform affordability searches based on the current inventory of all participating dealers listed. Although a participating dealer may only use our platform for referrals only (which we do not expect), we will still generate revenue from the financing transaction. We expect such dealers to fully utilize our platform at no cost through their web browsers.

We will also allow any dealer within such multi-dealer inventory systems to sign up online. Thereafter, such dealers may freely use our platform to service referrals and to generate new business with walk-in buyers. We will also use other traditional and online advertising channels to reach dealers.

Although we might choose to integrate with a single dealer's inventory system, current trends indicate that to do so would not be prudent. Almost all dealers with significant inventories and sales volume have, or are currently in the process of having, their inventories integrated into multi-dealer inventory systems that are currently available or under development.

Specifically, our initial marketing efforts will be centered on providing benefits to dealers with online inventories. Currently, over 5,700 of the 22,300 dealerships have online inventories. Approximately 50% of all dealer inventories will be online by the end of 2000.

Our first market push will center on delivering dealer centric functionality, i.e., a dealer sales and financing platform, to assist dealers with their traditional business -- that surrounding the walk-in buyer. With our browser-based solution, we expect expedited deployment because we will not need to load any of our software at the dealer. Deployment will mainly involve the minimal training needed to teach the dealer to use our platform.

Traditional marketing channels will also be exploited to build brand recognition and to draw dealer's online to interact with our platform.

Marketing to Lenders

The second prong of our marketing approach will be directed at lenders. Initially, we plan to approach those lenders that currently have an online presence, either through a single or multi-lender financing system. We expect minimal resistance from this group of lenders, because they have already decided to have an online presence. We will also provide for online lender registration.

We will market our service to national, regional and local lenders. Lenders will have the option of selecting and adjusting specific loan parameters that will be used for affordability screening. They can select from a number of other parameters, e.g., location distance, loan amount ranges, makes and models, dealer sources, etc., for screening buyers.

Because our application is browser-based, ready access and ease of use will greatly facilitate the speed and adoption curve of our lenders. Our lender interface will be designed to provide a lender with all of the tools needed to analyze and complete a financing transaction online. With such tools, lenders will also be able to easily deliver a competitive loan to a buyer. Additionally, all participating lenders will be able to view and manage their loan parameters online.

Marketing to Buyers

For the last prong in our marketing approach, we will address buyers. Using traditional online marketing techniques, we will promote our platform touting the benefits of our integrated affordability approach which, for example, offers: i) best rate financing; ii) screening of unaffordable vehicles; and iii) a single transaction session.

Our platform will have the effect of efficiently delivering only motivated, prequalified buyers to dealers and lenders for purchasing preselected vehicles. This will also have a positive effect on dealer and lender market penetration.

We will post banner ads and place other advertisements with online listing services. We also plan to enter click-through deals with online automobile web portals and sales sites. We also intend to exploit traditional offline marketing techniques through various media.

B. Method of Sales

All sales for services rendered by our platform will be tracked online. Our platform will automatically bill lenders upon the close of financing. Payment will be due within 30 days of invoicing. All fees due will be calculated as described above in section I.D.

V. Management

A. Executives

James D. Bennett - President

Mr. Bennett is currently a partner with the law firm of Akin, Gump, Strauss, Hauer & Feld, L.L.P., and is a former name partner at the law firm of Stanford & Bennett, L.L.P., both in Austin, Texas. Mr. Bennett specializes in intellectual property and related law, and is registered to practice before the United States Patent and Trademark Office. He currently represents numerous Internet and other technology companies, including eClickMD, CommVault, Inc., Unova Corp., Conexant Systems, Inc., among others. He has assisted these companies in strategic business development and intellectual property protection. In addition, Mr. Bennett has significant experience in both software and system development. Mr. Bennett is a former President and a founder of Engate Incorporated, a technology development and intellectual property holding company in the field of real-time and on-line speech to text transcription software. He currently holds 14 patents in that field. He is also a former engineer at Texas Instruments. Mr. Bennett holds a BS in Electrical & Computer Engineering from the University of Cincinnati, as well as a Juris Doctor from the University of Minnesota. Mr. Bennett is a co-inventor on patent applications filed by GreenPear to protect its unique market position.

Christopher C. Winslade – VP & General Counsel

Mr. Winslade is currently a partner at McAndrews, Held & Malloy, Ltd., a major intellectual property law firm in Chicago, Illinois. Mr. Winslade is registered to practice before the United States Patent and Trademark Office, and is admitted to practice in several U.S. Federal Courts, including the United States Court of Appeals for the Federal Circuit and the Supreme Court of the United States. Mr. Winslade's law practice has focused on strategic technology and intellectual property development and protection, and on technology and intellectual property related business transactions, including licensing, joint development and other similar agreements. Mr. Winslade co-founded Engate Incorporated with Mr. Bennett, and is Engate's current COO. He has also been involved as a software systems design engineer for MK Ferguson Co. Mr. Winslade holds a BS in Electrical Engineering and a BA in Economics from the University of Notre Dame, and a Juris Doctor from The Ohio State University. He is also a named inventor on numerous Internet related patent applications, and is a co-inventor on GreenPear's patent applications.

Bindu R. Rao - Secretary and CTO. Mr. Rao is a leader in e-commerce projects who is currently serving as Senior Consultant for a leading software company, developing and deploying e-commerce solutions for large corporations. Mr. Rao has fourteen years of experience in leading software development for various major corporations and consulting companies, including Trilogy Development Group, Bell Labs and Cap Gemini. He is experienced in Internet-related technologies and business models with 10 years experience in systems design and development, 3 years in Internet related technologies, and 6 years in Object Oriented (OO) architecture processes. He has an extensive background in manufacturing, networking, automotive, telecom and Internet-based products. His expertise is in configuration, pricing, ordering fulfillment, quote generation, and report

generation. Mr. Rao has developed Internet-based tools for server-side report generation as well as designing and developing XML output generation tools and an XML viewer. He has consulted and worked with leading companies, including Bell Labs, Lucent Technologies, Negate Inc., Waste Management Inc., Mead Data Central, and AT&T's Network Systems. He has three years in a doctorate program at the University of Minnesota, Department of Computer Science's Ph.D. program in Computer Science and holds a M.S. in Computer Science from the University of Tennessee Department of Computer Science and a Bachelor of Electrical Engineering. He has many publications regarding software development including two books relating to object-oriented programming and system design.

Robert A. Phillips – CFO

Mr. Phillips co-founded e-Com Holdings, an Austin, Texas based venture development firm, after serving as Vice President and CFO for San Francisco based Pacific Atlantic Group, an investment banking and holding firm. He has recently served as interim CFO and provided financial, strategic and marketing consulting services to several technology companies including Academic Software, BOXX Technologies, Link.com, WorldNet Box Office, Alive Interactive Media, IBT Technologies, MatureMarkets.com, Prosuda.com and others. He has 15 years financial management, SEC reporting, investment banking, marketing, and business development experience. He also served as CFO of CashCan Incorporated and Geo Recycling, Inc. and Vice President, Custom Energy Savers, a Texas-based construction company. His technical experience includes Internet software development and programming of rule-based expert systems. He holds an MBA in Financial Management and BBA in Marketing from Texas A&M University.

B.   Board of Directors

Messrs. Bennett, Winslade, Rao and Phillips are currently board members, and expect investor participation on the board.

C.   Advisory Board

We intend to build an advisory board that provides strategic representation in each area of the automobile sales and financing marketplace for which we plan to offer services. To represent new car dealers, we have strong contacts with a major dealership group here in Texas and will contact the principal to offer an advisory position in the near term.

We also intend to identify major lending industry representatives, used car dealers, current online sales system founders, and an attorney with expertise in legislative limitations placed on online automobile sales, among others.
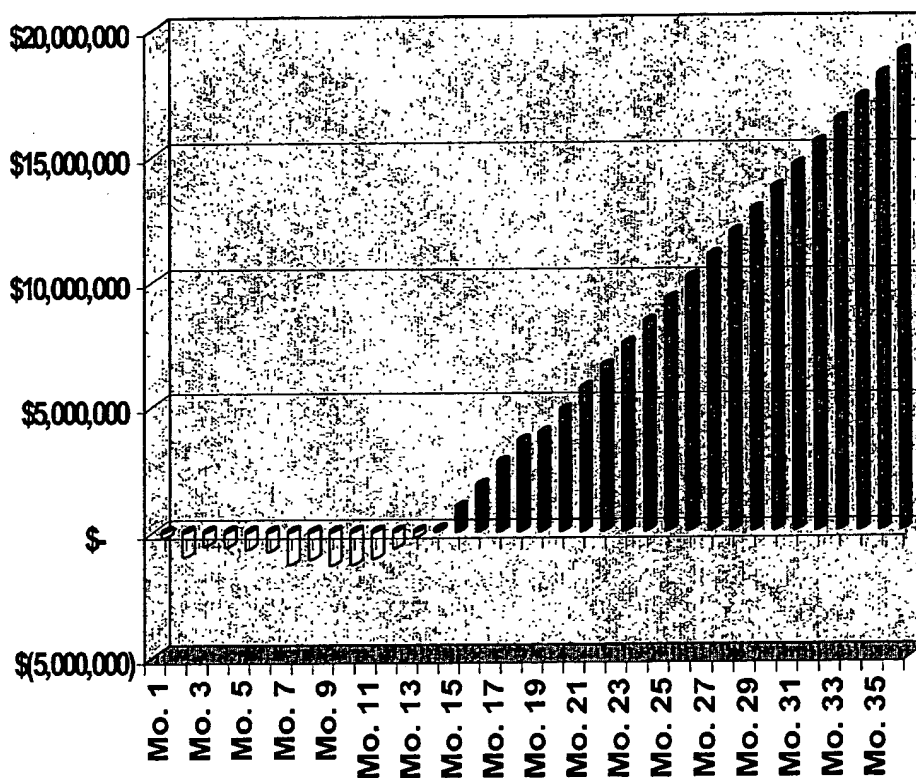
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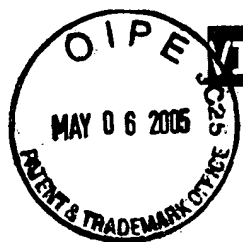
VI. Financials

A. Projected Income Statement

With our initial funding, we expect positive cash flow by month 13, with our break even point by month 19. The following graph and spreadsheet illustrate more detail regarding projected cash flow through our third year.

Net Monthly Cash Flows

Revenue & Cash Flow Estimates	Year 1	Year 2	Year 3
Dealers Participating	80	1,260	2,460
Total Transactions	17,040	692,160	1,844,160
Market Share (Sales New & Used)	0.042%	1.692%	4.509%
Revenue:			
Transaction Fees	$ 1,874,400	$ 76,137,600	$202,857,600
Advertising/Sponsorship	472,500	2,835,000	3,915,000
Total Revenues	2,346,900	78,972,600	206,772,600
Personnel Expense:			
Management Team	932,292	1,043,750	1,043,750
Marketing & Sales Team	1,125,000	1,450,000	1,450,000
Primary Web Development Team	2,973,542	3,925,000	4,037,500
Total Expenses	5,097,500	6,518,750	6,631,250
Other Cost:			
Operating Cost	354,800	532,200	532,200
Technology Cost	1,073,100	642,000	642,000
Marketing Cost	6,223,220	25,597,060	29,953,260
	$ 7,651,120	$ 26,771,260	$ 31,127,460
Total Cost:	$ 12,748,620	$ 33,290,010	$ 37,758,710
Net Cash Flow (Negative):	$ (10,401,72)	$ 45,682,590	$ 169,013,890
Cumulative Cash Flow:	$(10,401,720)	$ 35,280,870	$204,294,760

B. Funding Request and Return

We seek funding of $12.8 million within our first year. With this funding, we project positive cash flow within 14 months and break even within 19 months. We expect nearly $44.9 million in annual revenue per every 1% of dealer sales penetration. By the end of our second year, we project 3.0% penetration with monthly revenues exceeding $11.4 million.
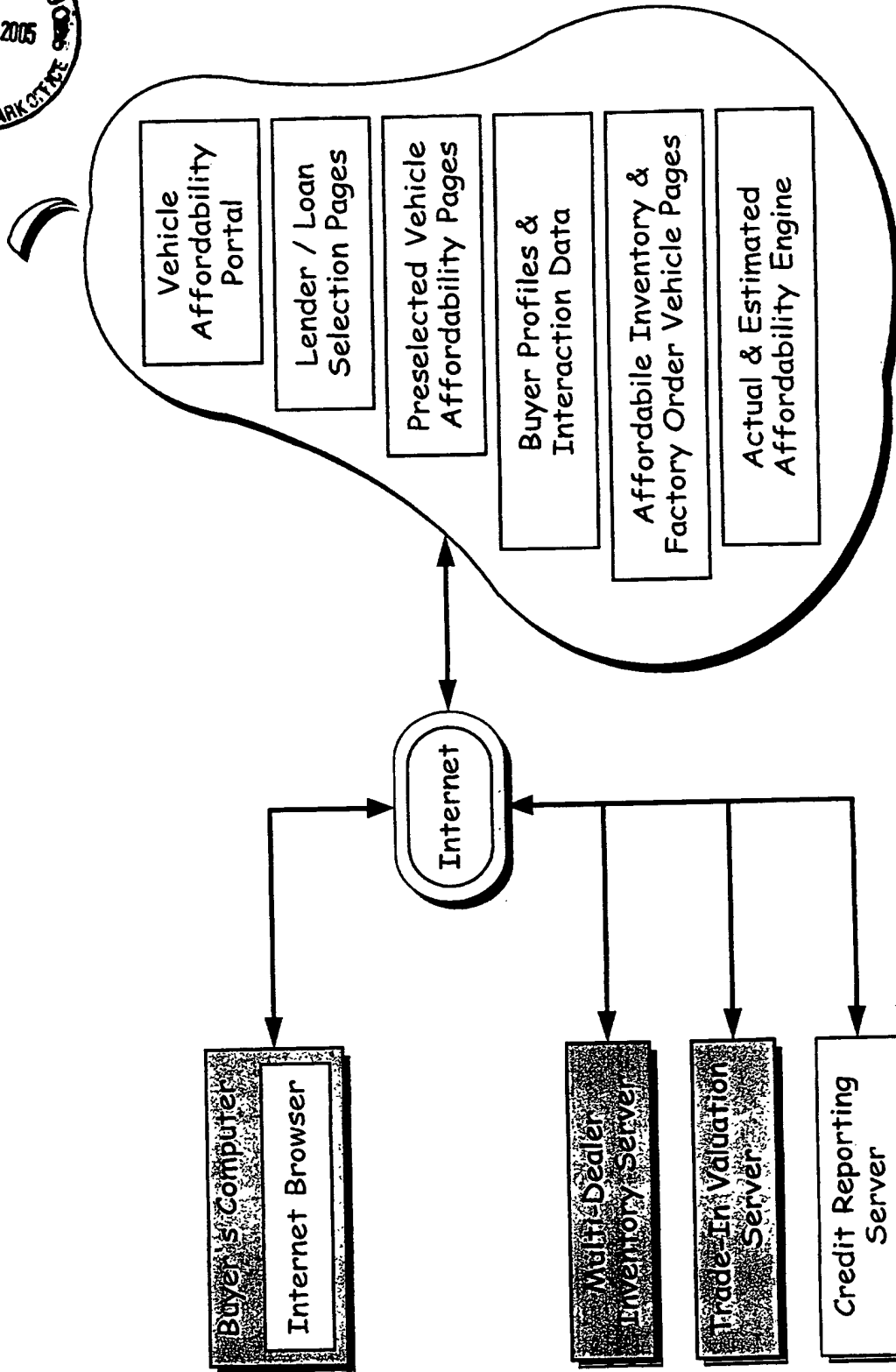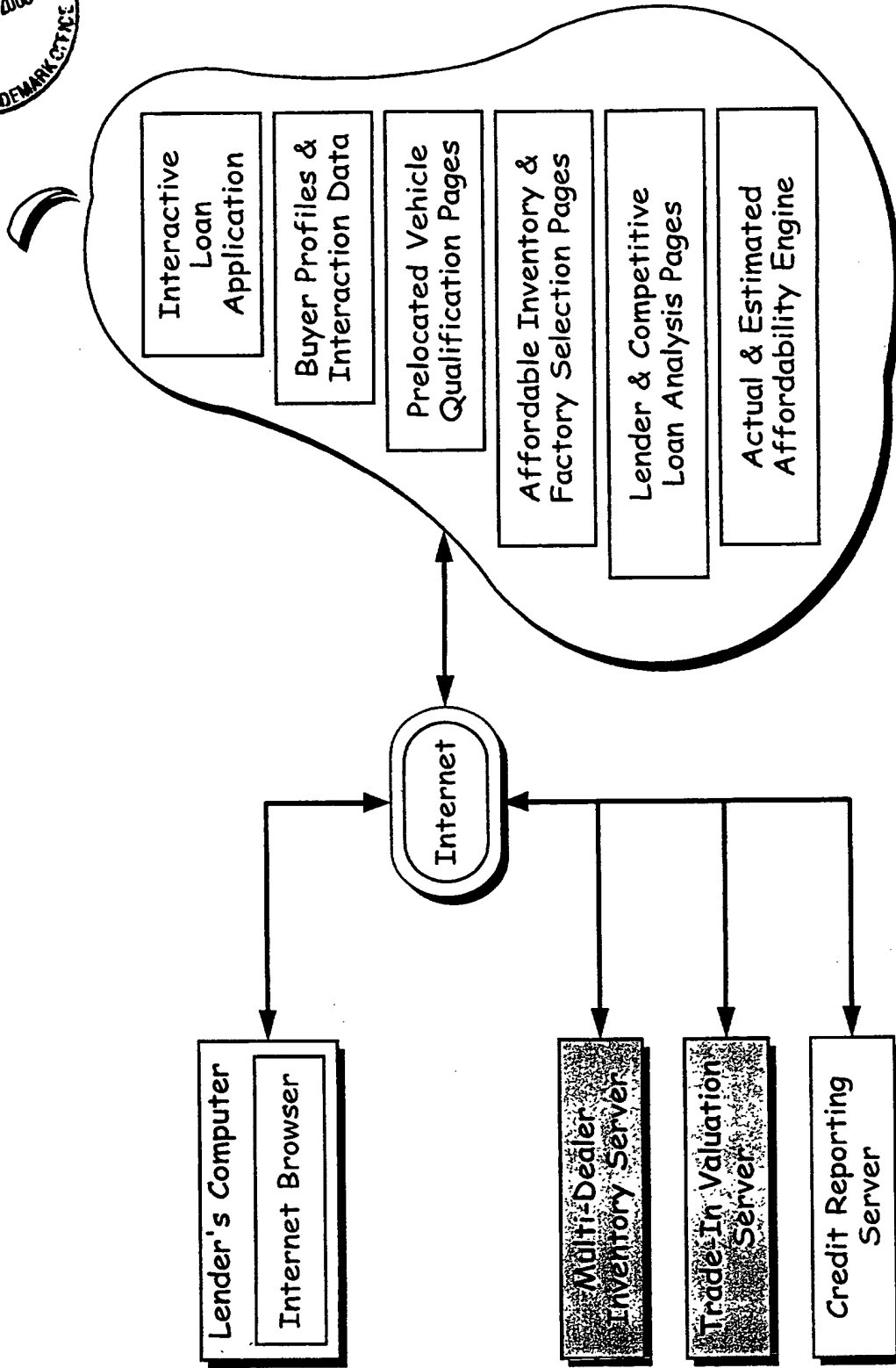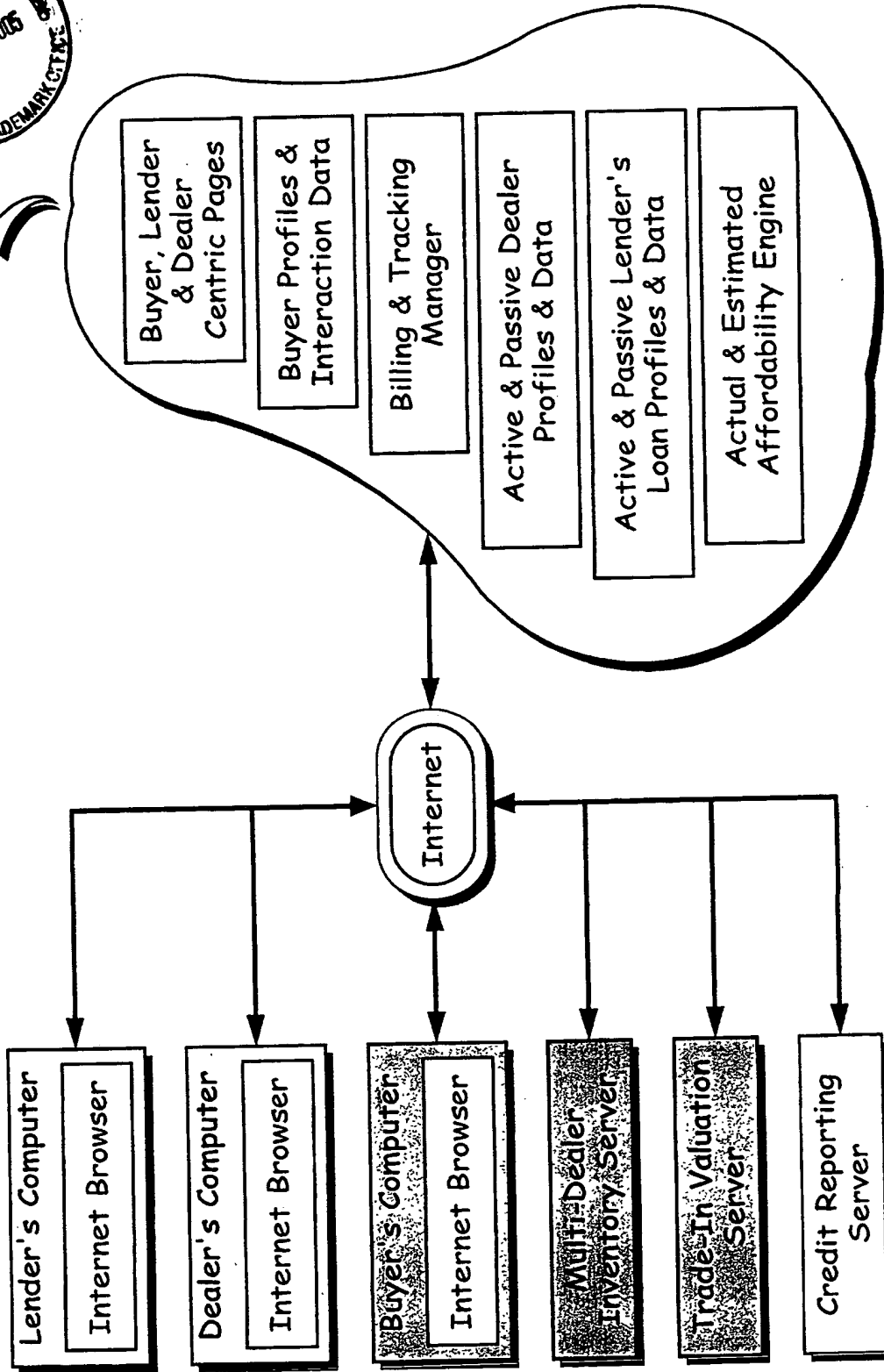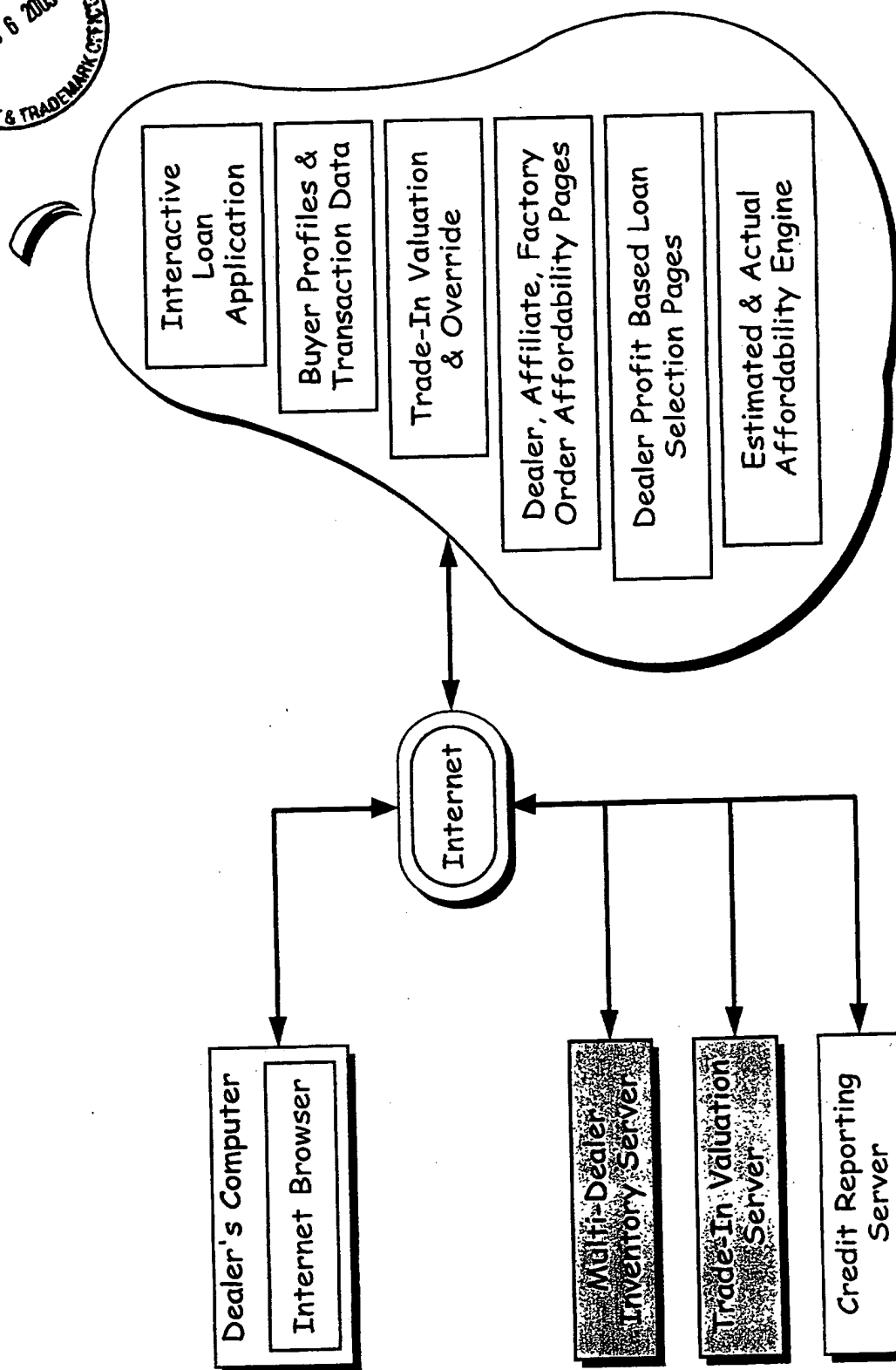
Vehicle Affordability Portal

Lender / Loan Selection Pages

Preselected Vehicle Affordability Pages

Buyer Profiles & Interaction Data

Affordabile Inventory & Factory Order Vehicle Pages

Actual & Estimated Affordability Engine

Internet

Buyer's Computer

Internet Browser

Multi-Dealer Inventory Server

Trade-In Valuation Server

Credit Reporting Server

Interactive Loan Application

Buyer Profiles & Interaction Data

Prelocated Vehicle Qualification Pages

Affordable Inventory & Factory Selection Pages

Lender & Competitive Loan Analysis Pages

Actual & Estimated Affordability Engine

Internet

Lender's Computer

Internet Browser

Multi-Dealer Inventory Server

Trade-In Valuation Server

Credit Reporting Server

Buyer, Lender & Dealer Centric Pages

Buyer Profiles & Interaction Data

Billing & Tracking Manager

Active & Passive Dealer Profiles & Data

Active & Passive Lender's Loan Profiles & Data

Actual & Estimated Affordability Engine

Internet

Lender's Computer
Internet Browser

Dealer's Computer
Internet Browser

Buyer's Computer
Internet Browser

Multi-Dealer Inventory Server

Trade-In Valuation Server

Credit Reporting Server

Interactive Loan Application

Buyer Profiles & Transaction Data

Trade-In Valuation & Override

Dealer, Affiliate, Factory Order Affordability Pages

Dealer Profit Based Loan Selection Pages

Estimated & Actual Affordability Engine

Internet

Dealer's Computer

Internet Browser

Multi-Dealer Inventory Server

Trade-In Valuation Server

Credit Reporting Server